THE Freeman

IDEAS ON LIBERTY

AUGUST 1967

Why Run Ourselves Out of Business?	*Leonard E. Read*	451
Is It Practical?	*John C. Sparks*	459
Communism after Fifty Years	*William Henry Chamberlin*	463
A Stand of One's Own	*Donald Warmbier*	470
Post Mortem on the Lister Centennial	*Edward Coleson*	472
Poverty of What?	*Donna Thompson*	478
A Person of Quality	*Royal Bank of Canada*	481
I Can Be Free	*Edward Breese*	490
Power: 3. Social Effects	*George Charles Roche III*	493
Auto-Safety Standards	*Milton Friedman*	507
Books:		
Public and Private Enterprise	*John Chamberlain*	509

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THE FREEMAN

AUGUST 1967

Vol. 17, No. 8

IN THIS ISSUE

Unless we learn to live by the courage of our convictions, explains Leonard Read, our short-sighted bowing to expediency will eventually put us out of business .....p. 451

John Sparks has something to say, too, about the practicality of businessmen who expect the government to do their work for them .....p. 459

The fiftieth anniversary of communism in Russia affords William Henry Chamberlin an opportunity for appraisal that should be of interest to anyone who still has a choice .....p. 463

An inquisitive student discovers what makes an entrepreneur tick .....p. 470

Speaking of anniversaries, Professor Coleson recalls a few that many of us have forgotten and reminds us of others free men should cherish .....p. 472

A Missouri housewife thinks that poverty of mind and soul may be more harmful to an individual than financial and material poverty .....p. 478

What does one expect in "a person of quality"? Well, try for size the definition offered from the Monthly Letter of the Royal Bank of Canada....p. 481

Despite socialistic trends, suggests Ed Breese, there are ways an individual can be free, if he tries ....p. 490

In this third chapter, George Roche examines various social effects of the modern manifestations of political power .....p. 493

And for a more detailed look at one of those interventions, join Milton Friedman on the subject of auto safety .....p. 507

John Chamberlain finds his cue in **Public and Private Enterprise** by Professor John Jewkes of England .....p. 509

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THE Freeman
A MONTHLY JOURNAL OF IDEAS ON LIBERTY

AUGUST 1967 Vol. 17, No. 8

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THE FREEMAN is published monthly by the Foundation for Economic Education, Inc., a nonpolitical, nonprofit educational champion of private property, the free market, the profit and loss system, and limited government, founded in 1946, with offices at Irvington-on-Hudson, New York. Tel.: (914) 591-7230.

Any interested person may receive its publications for the asking. The costs of Foundation projects and services, including THE FREEMAN, are met through voluntary donations. Total expenses average $12.00 a year per person on the mailing list. Donations are invited in any amount—$5.00 to $10,000—as the means of maintaining and extending the Foundation's work.

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WHY RUN OURSELVES OUT OF BUSINESS

LEONARD E. READ

THE STEEL INDUSTRY, the textile, glass, and oil companies, the makers of watches, bicycles, electric lamps, and a host of other products are beset by foreign competition. Now, in any industry, every marginal, high-cost producer faces the prospect of failure. But, on occasion, the sharpness of foreign competition may squeeze many domestic producers to the wall unless they can obtain relief. So, they draw together in search of a remedy.

What remedial measures first come to mind? Doing away with the real causes of the trouble? Rarely! Mostly, such trade-destroying devices as tariffs, quotas, embargoes are proposed, these being political interventions to compensate for uneconomic practices already in effect. Thus, one mistake leads to others that may build into a whole chain of bad practices.

What, really, is happening here? We know, of course, that capital and tools improve a worker's efficiency. And some industries more readily lend themselves to mechanization than do others. In industrialized countries we find types of production that require large amounts of capital per worker while others still depend mostly on raw manpower. And in the highly mechanized, highly capitalized U.S.A. we might expect efficient production in the mechanized industries, whereas foreign producers with comparatively less capital might hold a comparative

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advantage over us in the labor-intensive occupations.[1]

But today we find even our highly capitalized industries buckling under foreign competition. This doesn't make sense. Never before have we had so many tools and so much capital per worker as today. And most foreign producers have not come close to us in that regard. So, why are they giving us such rough competition?

Self-Hobbled—We've No One to Blame but Ourselves

The explanation lies not in what foreigners are doing to us but, rather, in what "we" are doing to "ourselves." Some of our producers are being priced out of the world market. And this is being done by an accumulation of costs and by methods of pricing that are demonstrably wrong. Further, most of us are quite agreed that they are wrong, that is, if we test our opinions by how we act individually and on our own responsibility. This is the way to discover how each of us believes "deep inside."

Take the example of paying farmers not to grow peanuts. Hardly anyone seems concerned about the costs or the desirability of this program when the forcible transfer of funds from taxpayers to farmers is done by government. But one would look in vain for a farmer who would personally use force on other citizens to provide himself a living in exchange for doing nothing. And it would be difficult to find anyone who would condone such an act on the part of a farmer. Who among us would ever think of approaching a farmer in this manner? "Here, John, is $25 for those peanuts you didn't grow for me this year." "John" doubtless would refuse the $25 if anyone offered it that way. No one but an out-and-out thief really believes in feathering his own nest at the expense of others.

We have in this single, relatively minor example an irrationality – a contradiction between belief and action – that costs millions of dollars annually. This cost finds its way into increased taxes and becomes a cost of doing business – the steel business or whatever. Multiply this by thousands of similarly irrational costs, running into tens of billions, and we can see why American producers are more and more plagued by foreign competition. They are burdened by increasing costs over which they have no control.

It seems unbelievable that we could be running ourselves out of

[1] "Labor-intensive" is a part of the economists' nomenclature. Examples: Baby sitting, picking and culling coffee beans, activities that do not lend themselves to mechanization.

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business by practicing what all of us really believe to be wrong!

All I wish to examine here is the irrational aspect of our competitive problem. Why this double standard of morality, believing one way and acting otherwise? Unless we know where the answer is to be found, American producers will continue to seek solution in trade-destructive "remedies" such as tariffs, quotas, embargoes.

I repeat, our producers are faced with costs over which they have no control, costs arising from actions that are believed to be wrong. But they are also confronted with methods of pricing that further weaken their competitive position, methods that no one, "deep inside," believes to be right. If we will examine one of these widely practiced pricing schemes that no one believes in, we can at least identify where the competitive trouble begins.

Coercive Pricing

But first, what is this irrational pricing method? Broadly speaking, there are two methods of pricing. One is free pricing, arrived at in the give and take of *willing* exchange. The other is arbitrary pricing, founded on the coercive practice of *unwilling* exchange. In the first method, the price for a good or service is whatever amount you or others will exchange freely and willingly. In the second method, the price for a good or service is whatever amount can be taxed or forcibly extorted from you or others. One rests on *your* choice as to how you use *your* property. The other rests on *someone else's* decision as to how to use *your* income and property.

Coercive pricing is demonstrably wrong. A classic example, the one among ever so many which I wish to use to make my point, is the strike. While widely used, no one believes it to be right.

Strikes have played an important role in pricing American products out of the market. Yet, all too many persons will stoutly defend the strike while believing it to be dead wrong.

The strike is strictly a pricing device, a means of raising some wages above the market rate. There is no other reason to use it.[2] Of some 17,000,000 members of labor unions in the United States, about a tenth of them participate in one or more "work stoppages" each year – an application of this coercive pricing

[2] Strikes never accomplish more than to raise some wages at the expense of others; they do not and cannot raise the general wage level. See *Why Wages Rise* by Dr. F. A. Harper (Irvington, N.Y.: The Foundation for Economic Education, Inc., 1957), 124 pp.

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measure.[3] The coercion is applied in forcibly preventing others from working at jobs the strikers have vacated and at wages they have rejected. Work stoppage is production stoppage – *costly!*

This device is viewed with alarm by employers, employees, and consumers alike. Yet, it is difficult to find a person, even among employers, who will not concede "the right to strike." This is an overt concession to coercion as an appropriate method of pricing.

Doing What No One Approves

But how many really believe in this method of pricing? Not even the strikers themselves! For if they believed coercive pricing to be sound in principle, they would never try to satisfy their own wants at lowest possible prices. Instead, they would patronize monopolists only, always shopping for goods that are coercively priced above the market.

Anyone who believes the strike or monopoly method of pricing to be just and valid would try to find sellers who employ that method. For instance, they would seek a doctor who demands a high fee and insists: "You accede to my demand or I shall no longer attend your ills. Further, I shall use force if necessary to keep any other doctor from attending you."

Do any of us, even strikers, look for such sellers?[4] Indeed, not! Instead, all of us, including Mr. Union Leader, shop around for the best quality and the lowest price obtainable. Try to find the person who will pay $100 for the identical suit of clothes that can be bought next door for $50. While we rarely think of it in these terms, *all of us try to buy each other's labor as cheaply, not as dearly, as possible.*

Every penny of the price we pay for any good goes to individuals for wages, rent, interest, transportation, storage, or some other productive service. Parenthetically, a low-priced good more often than not returns a higher wage than a high-priced good. But this does not alter the fact that, when buying, we seek services at lower, not higher, prices.

Nor need we be led astray by

[3] Ten per cent of union membership is only 2 per cent of the total work force and thus some may ask, "What harm can be done to the economy by these few?" Merely bear in mind that when a small fraction of these 2 per cent strike General Motors, for instance, millions of workers in related industries, even those not unionized, are put out of work. Also, the threat of coercion is often quite as potent as the ultimate action would have been.

[4] Some will claim that the union boycott of nonunion goods answers this question affirmatively. Gross inattention to the boycott is compelling evidence that union members do not believe in their own method of pricing.

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the fact that all of us try to sell for as much as we can and buy for as little as possible. This is at once a natural and commendable trait when confined to the peaceful give-and-take of the free market. But we do not approve, at least in principle, gratifying these inclinations by brute force, either in selling or buying. Were we to approve coercive pricing, we would witness the grocer forcing the customer to pay a dollar for his can of beans and the customer forcing the grocer to sell his beans for a nickel. Utter nonsense![5]

So here we are pricing ourselves out of world markets by adding costs we don't really believe in, and over which the producers have no control, and by pricing schemes that are demonstrably unsound. And, judging by our actions as buyers, we seem to be unanimously agreed that such pricing is wrong and unsound. Why this distinction between what we really believe and what we daily practice, and more or less condone? One would think that such a serious waste of resources, when agreed to as unsound, would be easy to eliminate. Why do we persist in these practices? Something is amiss; there is, as we say, "a slip 'twixt the cup and the lip."

We must conclude that foreign producers are out-competing American producers because we are practicing what "deep inside" we know to be wrong. If I may coin a phrase, we are suffering from a psychic short circuit. We are failing miserably to reason from our own moral premises to practical conclusions!

The Teaching Problem

Put yourself in the role of teacher, charged with thinking this through and giving corrective instructions. You have finally discovered where the trouble is. But what is the remedy? Would you hammer away at the bad economics of coercive pricing? This would be just as futile as explaining the bad economics of stealing, that is, of some feathering their nests at the expense of others. *Everybody already agrees that coercive pricing and stealing are bad economics.*

We must continue to teach sound economics, to be sure. But when it comes to these particular troubles we find that the remedies lie beyond the scope of economics. Other disciplines – moral philosophy, psychology, logic, psychiatry, sociology – must be brought into play.

[5] Arbitration, which in the final analysis is but a variation of coercive pricing, would price the beans somewhere between 5¢ and $1.00. No one, if properly tested, believes in this kind of pricing.

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What is it the effective teacher must first learn, and then learn how to explain, if foreign competitors are not to run American industrialists out of business? The answer, I feel certain, lies deeper than we think.

Crowd Behavior

Most individuals when acting personally and in their own name – when acting in you-and-me situations – are above reproach. They can be trusted; their word is as good as their bond. The promises men live by are far more honored than breached in man-to-man dealings.

We would like to think that this personal rectitude, seen on every hand, is a rationally structured conduct, that it has its origin in the reasoning mind. Has not pure logic commended to these people that fairness, honesty, justice, respect, freedom are essential ingredients for mutual upgrading and peaceful living together?

A forbidding suspicion: This individual rectitude, practiced so widely, these moral directives "deep inside," may, in most cases, be more from habit than reason. No rational and logical mind would abruptly fail to function the moment numbers are introduced. No thinking person would condone or support a collective action that would be repulsive to him as a personal action. Reason and logic possess probing qualities and have no such boundaries; practical conclusions are logical extensions of moral premises.

Merely observe that millions of individuals who would not steal or coercively price when acting in their own name and on their own responsibility will do so when they act in the name of a collective: the union, a church, a chamber of commerce, society, the majority, and so on. If these people cannot reason from the singular to the plural, how can we assume that their personal rectitude is the result of reasoning and logic? It must be only instinctive or imitative.

Is the effective teacher confronted with the utterly baffling problem of getting people to reason, to think things through for themselves? Even those individuals potentially able to do so cannot make the grade short of a self-generated motivation, a hard-to-come-by initiative. How can initiative be taught? I gather that initiative is more inborn or "caught" than taught, that it is occasionally picked up by persons when in the presence of exemplars, initiative having a contagious quality of sorts.

Individuals who have the capacity to think things through for themselves and who, at the same

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time, have the gumption, the get-up-and-go, the enterprise to do so, appear to be the only ones who can qualify as exemplars and, thus, as effective teachers.

A Strictly Personal Problem

What is it they must understand and learn how to explain?

First, that which lies "deep inside" – conscience, if you will – is exclusively a trait of the individual, never of any organization, institution, collective. Further, its mandates are as close to rightness, soundness, righteousness as is possible for any person. Even more: every step in human progress, insofar as man has had a hand in it, is a manifestation of that which lies "deep inside." Progress can never be ascribed to any corruption of conscience![6]

Second, the responsibility for one's actions cannot be shifted, certainly not to anything impersonal and incapable of bearing responsibility. Unions, churches, chambers of commerce, and the like are of this abstract nature, mere names we give to groups of persons. These abstractions can no more bear responsibility than they can bear children, or speak, or think.

Third, any action an individual supports or condones is *his* action. If it be contrary to what lies "deep inside," it is wrong according to his own standards. And to hang the name plate of the wrong action on the union or some other collective is only to hide behind the cloak of anonymity – like an ostrich with his head in the sand. The individual's responsibility for what he supports or condones is inalienable, as inseparably linked to him as is his psyche, his soul, his mentality.

If American producers are to cope with foreign competition, the way, I suspect, will not be found in trade-destructive expedients. It lies in finding and removing the causes of their present plight. The only reason that causal identification appears so deep is that it's new territory, an area rarely explored.

The Will to Improve

Actually, the remedy is not that difficult. It simply calls for (1) doing what one believes to be right, that is, obedience to what lies "deep inside," (2) avoiding the snare that something other than self can be responsible for what one supports and condones, (3)

[6] "I suggest that we postulate that the intangibles of truth and beauty, human freedom, courage, honor, honesty are the core of the truly basic realities; and that the supposed realities which we see and touch and feel are really only shadows cast by these truly basic dynamic forms in their many embodiments." From *The Symphony of Life* by Donald Hatch Andrews (Lee's Summit, Mo.: Unity Books, 1967), pp. 257-258.

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logically reasoning from what's "deep inside" to practical conclusions, and (4) the will and the gumption to reason, that is, to think things through.

The fact that few can carry out even these prerequisites to a healthy commerce is no occasion for discouragement. There are plenty who can – *if they will!*

If they will! The deterrent is the plaguing thought that if I practice what I believe to be right while others do not, I'll go down while they survive. As if every step toward progress had to be taken simultaneously and unanimously – like a regiment does the goose step. It never has been thus, nor will it ever be! Were this the rule, man would still be at the primitive stage. Every advance in human history began with a single step by some lone individual toward what he believed to be right and just and sound.

Admittedly, it seems risky, even dangerous, to follow the dictates of one's conscience when others do not. But is it, really? Hearsay reports about what has happened to others often are erroneous and misleading. For the right answer, carefully examine personal experiences; only in these is the truth revealed.

Aside from an occasional "boner" in presenting and standing for what's "deep inside," integrity to conscience "pays off." Nor is the reason difficult to find. Fainter hearts, longing for the "courage" they lack, admire and support those who honestly stand by their convictions. Longing to do right, but too timid to try it, they think of the right-acting person as their alter ego. Over and over again we hear the refrain, "I'm so glad you said it; that's what I was thinking."

Such integrity requires no unusual courage; only the knowledge that it's not dangerous to be honest. "To thine own self be true." Anyone aware of the dividends of such action demonstrates, not bravery, but wisdom and down-to-earth practicality. Further, he has the key to making what's "deep inside" go on outside, the key to not running ourselves out of business. ◈

Freedom to Improve

. . . but the only unfailing and permanent source of improvement is liberty, since by it there are as many possible independent centers of improvement as there are individuals.

JOHN STUART MILL

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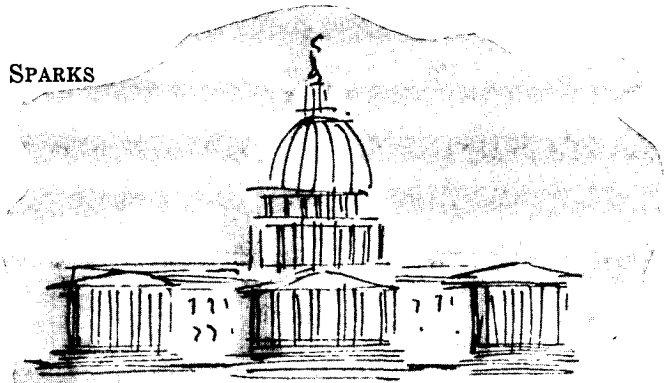
JOHN C. SPARKS



IS IT PRACTICAL?

MANY a logical and practical man seems to go haywire in his expectations of government. He will sail right over the philosophy that would limit government to the protection of life, liberty, and property. When he sees human needs, he deems it practical to call for government action to relieve poverty and provide social security, medicare, school lunches, education, foreign aid, and other "charities."

He finds it inconceivable that business could function without such government services as the post office, highways, monetary controls, weather reports – and subsidized electric power, if he comes from the region of the Tennessee Valley Authority. He also expects "police protection" against economic adversity, unemployment, price changes, and other aspects of competition.

Such great faith in government's ability to administer charities, services, and controls would suggest a long string of successes. At least, that's how most businesses gain a clientele. One satisfied customer is the advertisement to the next. When a businessman wants a new office building, he seeks an architect of demonstrated skill in the design of similar structures. Professional football managers try to fill their rosters with experienced players who show promise of greater success. An entertainer discovers that each round of applause is the steppingstone toward more popularity and demand. The successful consulting firm grows on its record for solving perplexing problems.

There is no finer recommendation than prior success – *except*

Mr. Sparks is an executive of an Ohio manufacturing company and a frequent contributor to THE FREEMAN.

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where government is concerned. That's a different story, as the record clearly reveals.

Compounding the Problem

In the area of "charity," it has compiled a miserable showing of waste and graft. Recipients, who need above all else to regain self-responsibility and self-reliance, are rewarded and encouraged instead to remain dependent. Unwedded motherhood becomes a livelihood. Unemployed persons choose to remain jobless because of the compensation. Educators and parents relinquish their responsibilities toward their children in exchange for state and Federal aid. The something-for-nothing years of the social security program are over. Henceforth, workers would do far better to buy insurance privately – if they had the choice. From medicare may be expected costly and inadequate service, wrapped in red tape and inaccessible when needed.

The government's record for rendering economic service also is deplorable. The monopolized postal service has been unimaginative and inefficient in contrast with other forms of communication. Operating costs rise year after year. Yet, in many respects, the quality of service has declined. Part of the rapid cost increase is paid directly by "captive" customers, the nation's postal users, through higher postal rates. The remainder is "out of sight" in the government's accounting records, adding to the taxpayer's burden.

Another economic service by a combination of municipal, county, state, and Federal governments is the network of highways across the nation. And to come across one of the completed stretches of the new interstate highways is a traveler's delight. Have we an exception here – government successful at something other than policing? Before passing judgment, consider the alarming increase in the highway death toll. The super highways have seen super collisions and super holiday casualty records as well as super traffic jams. The word is out in Los Angeles and other cities: Avoid the freeways when large numbers of motorists are likely to be using them.

The government has made quite a fuss about the safety of privately manufactured automobiles. Imagine the furor over traffic congestion and highway fatalities if the roads were privately owned and operated! But hardly anyone ever thinks about that possibility. If we did, we might dream of the convenience and safety of a highway system under competitive private enterprise rather than a governmental monopoly.

Government also has monopo-

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lized the business of money and credit, with a sorry record of booms and panics and depression—and endless inflation. But where is the "practical" man with an alternative monetary system?

When Government Plays a Handicapper's Role

Another governmental role accepted in blind faith by the practical man is that of the handicapper, arbitrarily adjusting the voluntary agreements that have been reached in the market place. In 1966, Florida orange growers had a bountiful harvest, a surplus situation from which the U. S. Department of Agriculture hastened to rescue them. But the price support program, based on use of orange juice in the school lunch program, afforded little help. Finally, the processors wisely cut out of the government program with a sales campaign to *sell orange juice at lower prices*. Early results indicate success; consumption is running 20 per cent heavier than in the previous year. Juice processors and consumers, in this instance, have found a way around the government's good intentions. May it serve as a lesson to all who place their faith in the "practicality" of government relief!

This poses a provocative question. Why is it that when a man of proven ability in private undertakings is ordained with governmental power, he so often becomes a hobble to progress? Why the difference between the success he was and the failure he becomes?

There is a difference – of this there can be little doubt – but what is that difference? Call the difference self-reliance. Call it self-responsibility. Call it incentive to achieve a greater reward. Call it a fear of not succeeding. Call it a burning desire to serve customers better than does a competitor. Call it any or all of these. A businessman places his savings and personal effort on the line, betting he will succeed. He must rely upon himself; success or failure is his personal responsibility. If he does not attract enough customers, he will not obtain a satisfactory income and may even lose his savings. He risks all this on his ability to serve others and achieve in return the financial and psychological rewards of profit and satisfaction. The private ownership spur is two-fold and very real – fear of failure, and pleasure of success.

Now, put this successful businessman in government office, and he will have to operate without those incentives. There is no penalty involved for the lack of self-reliance unless gross neglect of duty or misconduct occurs. Government seldom permits the

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existence of competition. Consequently, there is no need to perform well in order to attract more customers. Nor is there any compelling reason to perform efficiently. There is no competitive standard with which to compare results. With what private postal system can one compare the government's performance? There is always the taxpayer to cover deficits.

The profit incentive makes the difference. In the absence of that incentive, it seems most unlikely that a Henry Ford, Thomas Edison, Charles Kettering, or David Sarnoff will ever emerge from the ranks of government employees.

It is not a matter of selecting the "right" persons for government jobs. It is a matter of selecting the jobs that government is competent to perform. The organization designed to defend people lacks the disciplines and incentives for successful business operation. So let's be truly practical. Let the police force attend to its appropriate defensive functions. And let economic services be performed in open competition by responsible individuals with a proven capacity for such service. ◈

Herbert Spencer

MARVELLOUS are the conclusions men reach once they desert the simple principle that each man should be allowed to pursue the objects of life, restrained only by the limits which the similar pursuits of their objects by other men impose. A generation ago we heard loud assertions of "the right to labor," that is, the right to have labor provided; and there are still not a few who think the community bound to find work for each person. Compare this with the doctrine current in France at the time when the monarchical power culminated; namely, that "the right of working is a royal right which the prince can sell and the subjects must buy."

This contrast is startling enough; but a contrast still more startling is being provided for us. We now see a resuscitation of the despotic doctrine, differing only by the substitution of trade-unions for kings. For now that trade-unions are becoming universal, and each artisan has to pay prescribed monies to one or another of them, with the alternative of being a non-unionist to whom work is denied by force, it has come to this: that the right to labor is a trade-union right, which the trade-union can sell and the individual worker must buy!

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After Fifty Years

WILLIAM HENRY CHAMBERLIN

THE YEAR 1967 marks the fiftieth anniversary of two events of world importance, the consequences of which are still very much with us. One event was the United States decision to intervene in World War I, following the German declaration of unlimited submarine warfare. The other was the seizure of power in the vast Russian Empire by a small disciplined band of extreme revolutionaries, then known as Bolsheviks, now more descriptively designated as communists. The first put the United States on a merry-go-round of European and world power politics, easy enough to mount, but costly to ride and hard to get off. The second replaced the authoritarian, traditional rule of the Czars by a much more ruthless, scientifically organized dictatorship of a single political party – more accurately, by the top leadership of that party.

Russian communism has experienced many changes in methods of administration and in governing personnel. Most of its founding fathers perished in Stalin's paranoid purges. However, two basic principles have survived intact. Lenin is supposed to have said that there could be any number of political parties in Russia – provided that the Communist party was in power and all the other parties in jail. This is an excellent description of how the Soviet Union is governed. Stalin, writing in the official party newspaper, *Pravda*, on November 26, 1936, spelled it out plainly:

Mr. Chamberlain, Moscow correspondent for the *Christian Science Monitor* from 1922 to 1934, is author of the definitive two-volume history of the Russian Revolution and numerous other books and articles on world affairs.

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In the Soviet Union there is no basis for the existence of several parties or, consequently, for the freedom of parties. In the Soviet Union there is a basis only for the Communist party.

There is no toleration for opposition parties; and organized dissenting groups within the Communist party are also strictly forbidden. The consequence is that effective decision-making power is concentrated in the hands of a very few men, sometimes one man, at the head of the party organization.

Total Control

The other permanent principle of communism in practice is that the government, in one form or another, undertakes to manage the whole economic life of the country. In the first phase of the Revolution all private property, except for personal belongings, was confiscated and nationalized. After an early period of chaos, all factories, mines, railways, public utilities, and stores were placed in charge of a host of state bureaucrats.

At first the peasants were left more or less undisturbed on their small twenty-acre farms, following the confiscation and dividing of the estates of the large and medium landowners. But 1929 marked the beginning of a process lasting over several years and carried on with the utmost brutality. Peasants were subjected to such measures as wholesale deportations to forced labor and one politically organized great famine. They found their individual possession of land abolished and themselves regimented in collective farms; what they raised and what they received for their produce were determined by the government.

Communism was an outgrowth of World War I. And world war led to an extension of the area under its control. By 1945, communist power prevailed in a large number of formerly independent states in Eastern and Central Europe. Stalin had once declared: "We do not want a foot of foreign soil; we shall not yield an inch of our own." But he might more accurately have said: "We do not want a foot of foreign soil, except Estonia, Latvia, Lithuania, Poland, Hungary, Czechoslovakia, Bulgaria, Roumania, Yugoslavia, parts of Finland, East Germany."

At least, this was how the political map of Europe looked shortly after the end of World War II. Yugoslavia, to be sure, broke away to the status of an independent state in foreign relations, although it retained the one-party system and a somewhat modified form of state control of the economy. These were not, as the Russian had been, spontaneous revolutions, arising out of the miseries and dislocation

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of war. Communism was imposed on Eastern and Central Europe from without, by the tanks and bayonets of the Red Army.

China, on the other hand, experienced pretty much what happened in Russia in 1917. Eight years of exhausting war with Japan, accompanied by Japanese occupation of the largest Chinese cities, had created a situation in which the power and authority of the nationalist government, under Chiang Kai-shek, were gravely undermined. Inflation had almost destroyed the value of the Chinese currency and many Chinese – mistakenly, as they realized too late – believed that communism could be no worse than existing conditions and might bring some improvement.

In the first years of the Soviet state, created by the communist revolution of November, 1917, the system was so new, so untried, that there could be the widest differences of opinion about its future prospects. Majority opinion in the West was most impressed by stories of terror, violence, hunger, and general misery. But a minority clung to the hope that communism would provide an answer to the problems and frustrations of modern society. So varied were reports of observers returning from Russia that it was hard to believe they were speaking about the same country.

There are still pronounced differences of opinion, judgment, and emphasis in writings about the Soviet Union. But the facts are now well established, and some broad conclusions may be stated with confidence.

Endurance of the System

First, communism, as it has developed in Russia, is a tough, durable system, which cannot easily be overthrown, either by a palace coup or by erosion from within. One need only look at the historical record. The governing system set up by Lenin has survived numerous threats:

- Prolonged civil war;
- Allied intervention, although on a halfhearted and ineffective scale;
- Two major famines;
- A German invasion that led at one time to the occupation of a large part of European Russia;
- The savage struggle to bring the peasants under the yoke of the collective farm;
- Several periods of distress and general shortage and misery uncommon even by Russian standards (the years of civil war and economic collapse, 1917-1921, the time of forced collectivization, 1929-1933, the years of war with Germany and postwar reconstruction).

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This was due to the formula of government worked out, consciously or unconsciously, under Lenin. It was further modified by Stalin and was imitated to a considerable extent by the fascist dictators, Mussolini and Hitler. What this amounted to was rule by a combination of unlimited terror and unlimited propaganda. The people who were not convinced by the propaganda were intimidated by the terror, by the knowledge that there was no means of organized effective resistance.

Free men who are accustomed to the expression of diverse views find it difficult to understand, even to imagine, the power concentrated in the hands of the Soviet totalitarian state. Suppose the government in this or any Western country controlled every printed or publicly spoken word, directed the policy of every newspaper and magazine, used the theater, the movies, the youth organizations as instruments of propaganda, dictated what should be taught from kindergarten to university, employed radio and television as its mouthpieces, forbade the importation of foreign newspapers and politically questionable books from abroad. Suppose, in addition, that anyone suspected of disloyalty was liable to arrest and banishment to hard and disagreeable work in some remote part of the country. The chances are there would be few open dissenters.

Survival Depends on Use of Some Capitalistic Practices

Second, communism has only been able to function as a going concern by adopting some of the methods which its advocates violently denounced in what they called the capitalist system. The old communist ideal, "From each according to his ability, to each according to his need," has been consigned to the mothballs. Extensively copied are the incentives of a wage and salary system, with higher pay for higher skills. Differences in food, dress, and standards of living are sharper in the Soviet Union than in the West, especially so because there is much less to go around.

Such egalitarian experiments as equality of wages and the limitation of the pay of communists to the standard of a skilled worker have been discarded as impractical. In recent years there has even been an attempt, with little success, to gain some of the recognized advantages of the free market system without instituting its essential component, private ownership. Despite communist propaganda to the contrary, the transfer of economic ownership has been, not to the workers, but to bureaucrats who are less concerned with the inter-

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ests of the workers than in making a profit for the state.

No Proof of Superiority

Third, after fifty years, communism has emphatically failed to prove itself a superior productive system in comparison with an economy based on individual ownership. Lenin and his followers took over a huge country, so rich in natural resources as to be almost self-sufficient. Five decades later, the Soviet living standard is one of the lowest in Europe, much lower than in the United States and Western Europe, even lower than in such satellite states as East Germany and Czechoslovakia.

Nor is there any reason to believe that in the foreseeable future the Soviet Union and other communist-ruled countries will achieve or approach the ideal proclaimed by Stalin and Khrushchev: to overtake and outstrip America. The agricultural record of the country under collective farming is a disgrace. Quite recently the Soviet government found it necessary to make large purchases of grain in the United States and other foreign countries, whereas prerevolutionary Russia had been a large exporter of wheat. Removing the automatic incentive of private ownership from Russian farming was like taking an irreplaceable dynamo from a machine.

The consequences of nationalizing all shops and service industries have been equally disastrous: indifference to the customer, poor quality, absence of initiative in making improvements. To be sure, there have been striking advances in the quantity of industrial output, in scientific accomplishment, and especially in the exploration of space, in the spread of education, in certain modernizing changes in urban life.

But Russia under any system would have achieved substantial progress over half a century. It was experiencing a rapid economic growth in the decade before the outbreak of World War I. Many projects of which Soviet publicists like to boast were on engineers' drawing boards before the Revolution. The Soviet Union should be compared, not with Russia in 1917, but with Russia as it might otherwise have been in 1967. Judging from pre-Revolutionary trends, the noncommunist Russia of 1967 would have shown substantial economic and social progress, less spectacular than the Soviet in some fields, but better balanced and more conducive to the comfort of the average citizen.

Maintained by Force

After fifty years, there is no indication that communism could win majority support in any coun-

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try without the use of force, violence, and terrorism. Voluntary movement is almost always away from, not toward, communist-ruled countries. There have been two waves of migration from Soviet Russia, involving hundreds of thousands, if not millions, of people. One was immediately after the Revolution; the other was after World War II when many Russians who had been forcibly or voluntarily evacuated from the Soviet Union during the time of German invasion chose not to go home. The part of Germany under Soviet occupation, quaintly called the German Democratic Republic, lost some four million of its citizens to prospering, free enterprise West Germany. Then the communists set up a penitentiary wall in the divided city of Berlin and an elaborate, closely guarded system of barbed wire entanglements and booby-traps along its entire frontier to prevent this continuous wholesale flight.

Hong Kong is packed with refugees from communist China. In the divided countries of East Asia, Korea, and Vietnam, it is the same story: a stampede to get away from communist rule. There has also been a large exodus of voluntary exiles from Poland and other satellite lands of Eastern Europe.

Among millions of "defectors," refugees from communism in many lands, one recent case arrests attention. It is the flight from the Soviet Union, first to India, then to Switzerland, of Svetlana Alliluyeva, daughter of the formidable dictator, Josef Stalin, and her later appearance in the United States. Seeking the freedom of expression she was denied at home was a dramatic blow to the Soviet system in world public opinion.

The wheel, in her case, had come full circle. In April, 1917, Lenin left Switzerland, where he had found political asylum, to lead the communist revolution in Russia. Exactly fifty years later Stalin's daughter had returned to Switzerland – a refugee from the regime founded by Lenin and consolidated, built up, shaped in every detail by her own father.

Serious Problems Persist

Fifth, the United States and other noncommunist countries have their problems, big and small, political, economic, and social. But it would be an error to imagine that, merely because they have devised effective means of suppressing open criticism and discussion, the rulers of communist countries face no difficulties and problems of their own.

In China, there has for months been an obscure but evidently bitter state of near civil war between supreme dictator Mao Tse-

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tung (whose "thought" is recommended as the panacea for all ills) and some of his closest associates. The consequences are still uncertain. There is more outward appearance of stability in the Soviet Union. But Lenin's and Stalin's heirs have not found the answers to two questions of paramount importance.

They have not found a means of tranferring political power in peaceful and legitimate fashion. The quiet, unquestioning handing over of supreme authority from a President or Prime Minister to the representative of another party that has been victorious at the polls would be ludicrously impossible under Soviet conditions. As a result there is constant rivalry, tension, intrigue, in-fighting among the few men at the sources of political and economic power.

And, as the Soviet economy gets out of the primitive stage of trying to produce as much as possible and faces the need to make investment choices, even to pay some attention to consumer tastes, the lack of a substitute for the free market system becomes more and more painfully apparent. The free market presupposes free enterprise and private ownership; and efforts to obtain its benefits where these elements are lacking are foredoomed to failure.

Our Danger from Within

Sixth, what does communism, half a century after it was launched as a system of government in a large country, mean for the United States? If the United States will hold to the principles of economic individualism, communism is not and never will be a challenge in the sense of providing a better life for more people. Nor is there any serious threat of military conquest; the predictable suicidal consequences of a nuclear clash are the best assurance that such a clash will not take place.

The danger to the advanced industrial societies of the United States, Canada, Japan, and Western Europe is from within, not from without. Intensification of the trend toward omnicompetent government, drying up of the sources of future investment through excessive taxation, throwing more and more of the burden of supporting the unfit and the unproductive on the producing part of the population threatens to erode and finally destroy the incentives to hard work which help to make an individualist economy so superior to a collectivist. If America will live up to its better historic ideals, it can face the challenge of communism undaunted and unafraid. ◈

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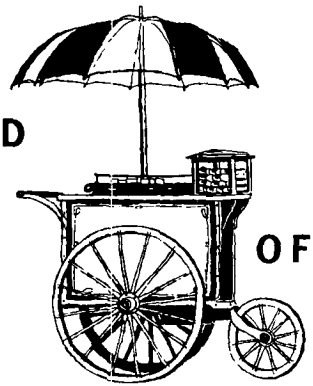
A STAND OF ONE'S OWN



DONALD WARMBIER

ONE of the forgotten men of our age is the entrepreneur, the individual who, on his own initiative and judgment, at his own risk, goes into business for himself. The agonies and ecstacies of these unorganized iconoclasts have usually been ignored by press, politicians, and public, including myself. But a chance encounter with one of these otherwise forgotten individuals has given me a feeling of empathy with an entrepreneur.

He sat next to me on my flight back to Detroit from Kennedy International, a trimly-built gentleman about 45 years of age, with gray hair and gold-rimmed glasses. We began conversing on the AFTRA strike, then in its second day. I found my traveling companion to be the owner of an advertising agency, a self-made man who through long years and hard work secured for his firm numerous accounts for the producing of TV and radio commercials. This production had been halted by the strike, however, and his firm was experiencing losses. He told me of those losses, incurred because of an unforeseeable strike to which he was not a party, without resentment, as if the bearing of such risks were a part of the standard operational procedure of his profession. And so it is. For the entrepreneur works without seniority, tenure, or unemployment compensation, deriving income when his firm earns profits, suffering if it doesn't. And while that day's newspaper accounts of the AFTRA strike told of the wages foregone

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by the striking employees, the losses of an entrepreneur went unmentioned.

Our discussion turned to England, from where my companion had just returned after the production of several TV commercials. England seemed to him a stifling and suffocating place, in spite of the recent creative outbursts of popular music there. He saw the current flow of British talent into the music and entertainment fields as a direct consequence of the drying up of other forms of entrepreneurial opportunity. Heavy progressive taxes have left entertainment one of the few fields in which budding entrepreneurs can acquire the seed capital needed to launch new ventures.

My companion recalled his own climb from a tar-paper shack in Kentucky, and how much more difficult punitive taxes made it. "The government takes 60 per cent of my income," he said. Here was the type of man politicians put out of their minds when they endorse soak-the-rich taxation, the entrepreneur of self-made means who must overcome such onerous burdens if he is to succeed.

We were approaching for landing as I asked my companion a final question: Why, with all the unforeseeable risks, the personal losses, and the burdens of government taxation, did he decide to go into business for himself, to become an entrepreneur? The answer came quickly, without pause for thought, as if he were stating a self-evident axiom: "I'd rather run a popsicle stand of my own than work for some government bureau." ◈

IDEAS ON LIBERTY

The Business Climate

"BUSINESS" is a product of civilization and it cannot exist for long in the absence of a specific constellation of conditions, chiefly moral, which support our civilization. The economic ingredient in the constellation is, as we shall see, free competition. But free competition cannot function unless there is general acceptance of such norms of conduct as willingness to abide by the rules of the game and to respect the rights of others, to maintain professional integrity and professional pride, and to avoid deceit, corruption, and the manipulation of the power of the state for personal and selfish ends.

WILHELM ROEPKE, *Economics of the Free Society*

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POST MORTEM ON

The Lister Centennial

EDWARD P. COLESON

FORGETTING anniversaries can be embarrassing. This time, almost everybody's face should be red, except mine. We just overlooked the centennial of one of the truly outstanding events in human history. Now we'll have to wait another hundred years to celebrate right. It's the principle of the thing that bothers me, not just a teacher's sadistic urge to flunk everyone for forgetting some date that I happened to remember.

One hundred and two years ago this month an unknown Scottish surgeon made one of those fundamental discoveries of the ages, one to be ranked along with the discovery of fire, the wheel, the smelting of metals, electricity, and atomic energy. But for the work of Joseph Lister and other well-nigh forgotten benefactors of mankind, many of us would have died in infancy as millions of others have died over the millennia of human history and as multitudes continue to die in the backward areas of the world even today. Truly, it may be said that "never were so many indebted to so few for so much."

What makes the oversight particularly exasperating is the fact that other anniversaries have been remembered. You will recall that in June of 1965 a popular magazine featured Napoleon on the sesquicentennial of Waterloo. Almost everyone celebrated the victory of Wellington and Blucher over the "Little Corporal," except

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the French who saved their fireworks for the nine-hundredth anniversary of 1066 last fall. It seems that de Gaulle was more interested in William the Conqueror's victory at Hastings than in one of Bonaparte's few defeats.

Of course, the way to avoid forgetting those important anniversaries is to plan ahead. Mark the calendar early and start getting ready for the celebration. I had been telling classes for several years that the centennial was coming. You know, "year after next" the hundredth anniversary will be upon us and the entire world will rise up in gratitude and pay homage to those pioneer "men against death"[1] whose researches have saved millions of lives over the century. Imagine my disappointment when August of 1965 rolled around with little visible recognition that there was anything special about that month. I checked the date in the library and even consulted my family doctor. The former confirmed the correctness of my timing, but the latter had noted no special excitement in the medical journals or among the profession. Evidently, they had forgotten, too.

It is natural that we be selective about what we choose to celebrate. Every day must be the centennial of something or other. Some of these events, recent and remote, are noteworthy, too. For instance, 1964 was the nineteen-hundredth anniversary of Nero's slum clearance project, prelude to urban renewal at Rome – and Nero didn't have to pay the fiddler since he furnished the music himself. Whatever one may think of the ancient worthies and rascals, clearly we cannot remember all of their doings. But why we choose to remember some and forget others is a mystery. And certainly there are far-reaching consequences of these decisions as well as other choices we make. Edward Gibbon warned us long ago:

> . . . as long as mankind shall continue to bestow more liberal applause on their destroyers than on their benefactors, the thirst of military glory will ever be the vice of the most exalted characters.[2]

"Equal time" for Benefactors of Mankind

Now I am not suggesting that we erase those rascals from our history books – Alexander, Nero, Napoleon, and a host of others – but simply that we give useful and respectable people equal time. Take my hero, Joseph Lister, for

[1] This is the title of a book by Paul de Kruif, better known for his *Microbe Hunters.*

[2] Edward Gibbon, *The Decline and Fall of the Roman Empire* (Modern Library edition), Vol. I, p. 6.

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Lister directing use of carbolic acid spray in one of his earliest "antiseptic" surgical operations. (*Bettmann Archive*)

example. Here we have all the elements of a good story, minus the sadistic and gruesome which should interest no one. His activities may have saved more lives than some of those conquerors destroyed, which should give him a fair claim to fame. His is the classic success story of how persistent effort triumphs over the apathy of the masses and the opposition of misguided but well-meaning people. He was a surgeon in those tragic days after the discovery of anesthesia in 1846 made surgery common because it stilled the cries of the patients but more deadly because fatal infections developed in the overwhelming majority of the incisions. Groping, he stumbled upon the writings of a French chemist, one Louis Pasteur, and surmised that wounds would heal without infection if those mysterious micro-organisms Pasteur had studied could be excluded or killed. His methods were crude and unpleasant, but sound in principle, truly one of the few revolutionary developments in history. No doubt, many now reading these lines owe him their very lives. The last century in surgery has seen but the refinement of his

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technique. As Dr. Victor Robinson says, "Joseph Lister's manifold labors may be read in the volumes of his *Collected Papers*, but his lifework is summed up in a phrase: he made surgery clean."[3] In our preoccupation with detail and trivia today, we lose sight of the importance of sound principles as a point of departure.

Now, for the date of this epoch-making discovery. After a great amount of groping, Joseph Lister tried his new idea on a compound-fracture patient on August 12, 1865. Few days in human history have been so fateful for mankind or so unnoticed then and now. His method was bewilderingly simple. He just sterilized his instruments with carbolic acid and had it sprayed over the incision as he operated. The standard treatment for compound fractures with open wounds back then was immediate amputation, which proved fatal in many cases. Lister saved not only the patient's limb, but perhaps also his life. Other operations in the ensuing months were equally successful.

Slow Acceptance of New Ideas

Lister should have been hailed forthwith as the greatest surgeon of all time. But the doctors, like the rest of us, were reluctant to change their ways. For years they had prided themselves on their dirty operating coats. The filthier the better, since a great accumulation of dried pus and blood indicated a wide practice. But their patients died up to a hundred per cent. Indeed, a famous surgeon of the time once remarked that an English soldier on the field of Waterloo stood a better chance than a patient – let us say victim – on an operating table in a hospital. It was even urged back then that hospitals be abolished since they were so obviously fatal. Lister sought to change all this and produced evidence that he was more than another charlatan or quack of which there had been too many already. But it took time for his ideas to catch on. We human beings have a right to be cautious since we have lost our way on many a detour over the ages. But it does seem that we might catch on faster than we do at times.

The next crucial date in the sanitary revolution of a century ago was the meeting of the British Medical Association in August of 1867 – a centennial we might yet commemorate in lieu of the one we forgot August 12 a couple of years ago. Lister read the only paper worth hearing on August 9, but his contemporaries did not appreciate the fact until long after-

[3] Victor Robinson, *The Story of Medicine*, p. 423.

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ward. Lister was not dramatic, being by no means an orator; and the other surgeons gave him a rough time in the question-and-answer period following his presentation. But his ideas won out and rather speedily, too, once the movement got under way.

We cannot help the fact that our fathers caught on slowly, but we could remedy our own perverted sense of values that glorifies the vicious and forgets the constructive. One could rewrite the history book with profit, emphasizing the beneficial, and passing briefly over the tragedies of the ages. And I would like to nominate for honors a host of solid citizens who worked for the betterment of mankind in medicine, in industry, in agriculture, and wherever else men and women have labored, however humbly.

Some Anniversaries for the Future

Since we forgot the great surgical centennial, perhaps it would be well to sit down with the history book and the calendar to start planning ahead for the next notable anniversary. May I suggest a "double-header" coming up year after next: the bicentennial of the patenting of Richard Arkwright's "automated" spinning wheel and James Watt's improved steam engine. Here we have the genesis of the industrial age with its greater abundance for all. Like the medical revolution of a hundred years ago, industrialization has been a great boon to a lot of rather ungrateful people who take their blessings for granted and forget how their improved standard of living became possible. Worse still, these benefactors of mankind are not simply forgotten as was Joseph Lister. The good they have done is disregarded, and the "growing pains" of the new industrial era they helped to usher in are magnified out of all proportion and even distorted to make over these captains of industry into deep-dyed villains. And strangely, all of this is done by intellectuals who enjoy all the fruits of those pioneering efforts and clamor for more, while they continue to vilify those who made it possible. Certainly, it would be appropriate as part of the bicentennial celebration for Watt and Arkwright that we set the record straight on the so-called "Industrial Revolution." As an introduction to this study, may I recommend the book, *Capitalism and the Historians*, edited by F. A. Hayek.[4] It is about time we corrected some of these misconceptions.

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[4] University of Chicago Press. Also available from the Foundation for Economic Education, Irvington-on-Hudson, New York, $1.75.

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Be Ready for 1976!

For those who like to plan a little farther than just two years ahead, may I point out that 1976 will soon be upon us. This is also a double bicentennial, since this is the anniversary of both the Declaration of Independence and the publication of Adam Smith's *Wealth of Nations*. Rather interestingly, there are already some hardy souls getting set to celebrate the latter. One such organization is the "Invisible Hand Society," recently formed for this purpose.

With Adam Smith, there is also some correcting to do, as his disciples are so painfully aware. Perhaps a story will best illustrate the problem. Several years ago I decided to quit taking my *Wealth of Nations* in small, secondhand doses; so I set out to buy a copy of Smith's masterpiece for myself. I went to the local bookstore but the book was not to be found, although Marx's *Capital* was quite conspicuous. A few weeks later I tried again in a much larger city. Still no Smith, but there was Marx once more. Some months later I looked through the big bookstore of one of the state universities with the same luck. Always there was Marx but never Adam Smith. Finally, I ordered a secondhand copy through a bookstore in Chicago.[5] It would appear that Adam Smith's ideas have been as completely mislaid.

The prominence of *Das Kapital* suggests still another anniversary. In 1983 is another twin centennial: the death of Karl Marx and the birth of John Maynard Keynes. Now, if present trends continue, it is quite possible that communism may complete the conquest of the world by force of arms and subversion by 1983 — just in time for Orwell's *1984*. But I have faith that this will never happen. There are powerful factors working against communism today, such as mass disillusionment around the world, particularly in those countries that have had firsthand experience with the vicious system. Communism has promised much but has delivered little, except terror, poverty, starvation, and death. Quoting Lincoln, "You can't fool all the people all the time"; and a host of people have long since caught on. If we would just clear our own minds so that we could present a constructive alternative, this could be the psychological moment for a great revival of freedom. ◈

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[5] I note, with pleasure, that several inexpensive editions are again in print today. The Foundation for Economic Education stocks the 2-volume Dutton edition, at $4.50.

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Poverty of WHAT?

DONNA THOMPSON

NEWSPAPERS and magazines have been filled with articles about the war on poverty. But it seems that these analysts think of poverty only in terms of money income. The government is trying to provide income of a certain amount in the belief that, with material poverty obliterated, the individual can have all the good things in life and live happily ever after.

The popular impression seems to be that the individual cannot amount to anything in the world if he is poor financially. Apparently it has been forgotten that the great of the world have climbed to the heights from hovels, half-starved, perhaps, but undeterred from the things they desired.

That is where our modern thinking stumbles. The dictionary defines poverty as "a quality or state of being poor, any deficiency in what constitutes richness. Poor —as poverty of soil or ideas. Poverty, a stronger word than poor, is the state of being in need." In need of what? Money, yes. But not money alone. We need a war on poverty of moral principle, poverty of character, poverty of ideas, poverty of ambition, poverty of courage, and poverty of determination.

I have been reading the life of Hans Christian Andersen. His father was a cobbler. His mother washed clothes in the river to help make a living. He was poor in this world's goods, hungry and cold, poorly dressed, and uneducated. But rich, very rich in ideas, in dreams, in courage, determination, and faith in God. Poor clothes and hunger could be endured as he reached to become a great novelist, playright, and spinner of fairy tales that have delighted children around the world.

Abraham Lincoln, reading by firelight and candlelight, with ill-

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fitting clothes and no formal education, asked nothing of any man. He wanted a chance and made it for himself.

The pages of history reveal great actors, writers, lawyers, artists, ministers, politicians – the list is endless. They were poor. They were hungry. But they achieved because they were rich in many ways.

The Nature of Growth

We need to change our viewpoint. It is well to clean up the slums. It is well to try to find work for people who will work. It is a wonderful thing to provide an education for people who want it. But let us not mislead ourselves. Those who are poor in worldly goods will not be stopped if they are rich in character, moral fiber, courage, and ambition. They will develop the talent God has given them and nothing will stop them.

I do not mean that everyone has the divine spark of greatness. But any individual can help himself become a responsible, desirable citizen – not rich, but with enough – honest and law-abiding if he so desires. Look at the leaders in your own community, many of whom from poor beginnings have risen above their surroundings. And among your neighbors are many others who live in smaller houses and work for what they have – not abundance, but enough – who go to church and send their children to school, whose pride will not permit them to ask for help and, if offered, will push the offer away with the answer, "Let me do it. I can do it for myself. I don't need any help."

I once knew a boy who was working his way through college. He had no money, but he was determined to go on to medical school.

"Medical schools cost a lot of money," I said. "I don't see how you can do it financially."

I'll never forget the way he looked at me or what he said.

"I've wanted to be a doctor since I was a little boy. The old country doctor in our town used to take me with him on his calls in his horse and buggy. And I'm going through medical school and become a doctor if I have to live on a sack of peanuts a day."

He became a very successful surgeon. He had started poor in money, but rich in dreams and determination. He would not be stopped.

Even the Great Master himself was so poor that he told his friends, "The Son of Man hath not where to lay his head." But his words have endured for two thousand years, his life an example of wealth of spirit, of courage, of character. Each can achieve the goal that is set for him – if

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he is rich in those spiritual qualities which defy the bonds of materialism. In the soul and mind of man lies the richness of his life. Not what he wears or where he lives, but how he lives and what he is.

The Desire to Learn

In the War on Poverty, the word education is mingled with that of material advantage. Formal education is of great value moneywise. It is also the key that will unlock many doors. But education may be acquired without going to college. The dictionary defines education as "the impartation or acquisition of knowledge, skill, or the development of character as by study or discipline. Education is the general and formal word for schooling, especially in an institute of learning. But knowledge, that which is gained and preserved by knowing, enlightenment, learning, is the sum of information conserved by civilization. To learn is to gain knowledge or understanding by study."

And you can study by candlelight, as did Lincoln, or by a glowing electric light. You can study and learn on the street, in the field, in the factory, anywhere, if there is desire and will. The world of learning, of knowledge, is open to those who want it.

Poverty in a sense is a physical and material condition to be overcome; but men also must fight the war on poverty of spirit, poverty of ambition and determination and courage, the poverty of our minds. "Knowledge is power." It is time men stopped thinking only in terms of financial and material poverty and began to fight this poverty of the soul. If the latter is conquered, the other will take care of itself. ◈

IDEAS ON LIBERTY

Pauper's Purpose?

BECAUSE it is my social function to supply the world as well as I can with a certain thing, therefore I dread the world's being so well supplied with it that I shall be able to get little or nothing for supplying more. It is impossible to exaggerate the importance of this consideration, or the penetrating and intimate nature of its bearing on every aspect of the social question.

PHILIP H. WICKSTEED,
The Common Sense of Political Economy

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A Person of Quality

EVERYONE'S LIFE is spent in the pursuit of self-fulfillment, but not everyone reaches his objective. The man or woman who succeeds is a person who has realized in time that satisfaction does not arise merely from being good at something, but also from being a certain kind of person.

Such a person is not content to dedicate his life to small purposes. He has quality in his ambition. He does not strive to amass stuff to feed his vanity, but does his best to become somebody who is esteemed. He wishes to be, not merely to appear, the best; for this is the mark of quality.

The person of quality realizes that there is something beyond success: it is excellence. One may be successful in the eyes of the world without touching the Golden Fleece of excellence, for excellence is in the person and is not conferred by the greatness of the office he holds. It is typified in what the goddess Athene said of Ulysses, that in him "deed and word notably marched together to their deliberate end."

It is people of excellence who build greatly and lastingly. Egypt had millions of people living on the world's most fertile soil and Athens had 200,000 living on a rocky plain, yet the Egypt of that day is remembered for Cleopatra while Athens is imperishable in the minds of men.

Our idea of excellence cannot be limited to this, that, or the other area of human activity. Excellence is a thing in itself, embracing many kinds of achievement at many levels. There is excellence in abstract intellectual activity, in art, in music, in managerial functions, in craftsmanship at the workbench, in technical skill, and in human relations.

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Only by being a person of the highest quality that it is possible for him to become can a man attain happiness, because happiness lies in the active exercise of his vital powers along the lines of excellence in a life affording scope for their development. He must, of course, be competent, but excellence rises above that.

Character

We mass-produce almost everything in this country, but we cannot mass-produce character, because that is a matter of personal identity. It belongs to those who have found the part they are to play; who are doing the work for which they are best endowed; who are satisfied that they are filling a vital need; who are meeting their obligations and standing up to their tasks.

Such people willingly learn whatever they need to know to perform their role; they discipline their passing impulses so as to keep them from getting in the way of proper performance, and they do their jobs better than is needed just to "get by."

Character is a positive thing. It is not protected innocence, but practiced virtue; it is not fear of vice, but love of excellence.

Character takes no account of what you are thought to be, but what you are. You have your own laws and court to judge you, and these persuade you to be what you would like to seem. Character is having an inner light and the courage to follow its dictates: as Shakespeare put it:

> . . . to thine own self be true,
> And it must follow, as the night the day,
> Thou canst not then be false to any man.

People need something to believe in. Scientific discoveries may shake the world, but principles of behavior give it stability.

To have a set of principles is not at all to become a starry-eyed dreamer, but a person who knows simply and convincingly what he is here for. There are certain things one has to believe in, or civilization will die – permanent truths which, though they have their roots in the far past, are important for the present.

Finally, in this array of the components of quality, consider greatmindedness. Here is the ornament of all the other virtues. It makes them better, and it cannot exist without them. A person who has once perceived, however temporarily and however fleetingly, what makes greatness of spirit, cannot be happy if he allows himself to be petty or self-centered, or to fall short of the best that he has it in him to be.

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Craftsmanship

There are sound standards of craftsmanship in every calling — artists have to meet them, as do carpenters, lawyers, stenographers, operators of bulldozers, surgeons, business managers, and stonemasons. Every honest calling, every walk of life, has its own elite, its own aristocracy, based upon excellence of performance.

The person of quality will take delight in craftsmanship, whether he be building a birdhouse or writing a novel or planning a business deal. He is impelled by his principles to do well habitually what it is his job to do. That means patient thoroughness.

This is not, as some avant-garde people would have us believe, antipathetic to expressive individuality. Craftsmanship is a means toward competent expression rather than a brake upon it. It does not imply a sophisticated as opposed to an imaginative approach, nor slick work as opposed to clumsy work. It does mean that here is attention to details, fundamental integrity in the work, and evidence that the workman knew what he was doing and carefully applied his skill to the task.

Motive and Ambition

To seek quality in his work and his life a person must have a substantial motive. One pities the man or woman whose obsessive dream is not improvement toward excellence but escape from actualities and responsibilities. Such people must feel unwanted, unused, and purposeless, and that is one of life's greatest sufferings.

It is the anguish of empty and sterile lives, far more than any economic condition or political injustice, that drives men and women to demonstrate and demand instead of studying and earning.

The man of quality will wish to have his journey through life leave some traces. Captain James Cook, whose voyage of discovery carried him to Canada's West Coast in 1778, said: "I had ambition not only to go farther than any man had ever been before, but as far as it was possible for a man to go." John Milton said he was prompted to "leave something so written to aftertimes as they should not willingly let it die." Charles Darwin wrote in his autobiography that he had made up his mind to make a contribution to his subject.

These men sought and found problems to be solved. They were positive. It isn't enough to be against error and ignorance: that leaves the impression that error and ignorance are the active forces in the world while we are a formless mass opposing them. Instead of denouncing or denying what

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others bring forth as the truth, great men offer their own truth.

A motive needs to be a sincere, deeply felt, urge to find meaning in life – relevance, significance, and usefulness. Without such a goal, life becomes drab and humdrum. The man of quality lifts his head above the crowd to see a horizon fitting his abilities. He teaches his imagination to play with future possibilities, and bends his back to the immediate task that will contribute toward their coming true. There is nothing paltry about the man who is struggling, not to be great or to hobnob with the great, but to be greater than he is.

Some people are misled from their search for personal quality by skepticism. They encourage themselves to say: "Why should I do any more work than is necessary to get a passing mark or the going rate of pay?" People are not roused to seek excellence by ease or pleasure or any other sugar-plum. Perhaps there are some who are content to try for nothing more than being units in an assembly line, but even they must have moments of uneasiness in which they regret the opportunities they have spurned to become something better.

To push up from colorless mediocrity toward superiority is the way of the person of quality. All satisfying human life proceeds along this line of action – from below up, from minus to plus. To be successfully what we are, and to become what we are capable of becoming, is true ambition.

In choosing an aim, we should make sure that the ultimate value of it will offset the inevitable discomfort and trouble that go along with accomplishment of anything worth while. Success has terms which must be met. It demands that we sacrifice secondary things, however delightful they may appear, and that we are prepared to get some splinters in our hands while climbing the ladder.

Sense of Values

This, of course, requires that we develop a sense of the values of things. Every thoughtful person who has reached the age of twenty or twenty-five will realize that his mind has produced for him a certain set of views as to the conditions of life and the purpose of his existence. These should be reviewed from time to time, and revised upward in the light of experience.

A sense of values is a personal thing, not to be measured by a yardstick common to all humanity. In applying it to our special cases we learn to tell truth from falsehood, fact from opinion, the real from the phony, and the beauti-

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ful from the tawdry. We develop consciousness, enabling us to discriminate the quality of things. We learn that everything is worth what its purchaser will pay for it, and we ask before making a choice: "What is the price?"

This is a question of deep seriousness, and sometimes it demands courage in the asking and in the answering. Finding the point at which a value begins to totter is an authoritative guide as to how high you really rank it.

Look for the major characteristics, without being misled by the unlimited number of peripheral and secondary features. If you are weighing the value to you of a color television set against that of a chrome-encrusted car, that is simple and there are few factors; but if you are measuring the value of an extended education against the immediate attractiveness of a job, you can reach a reasonable decision only after considering the conditions under which you wish to live far in the future. What is the paramount thing? To elevate your thinking above the immediate and consider what is best in the long run.

In making choices one needs to have a concern for excellence and a devotion to standards. There is real pleasure in setting standards and then living up to them. Even if there were no Grand Assize before which at the end we shall be summoned to tell what we have done with our talents, there is always the looking glass in which we are our own judges.

Most people would benefit – although it seems to be an old-fashioned idea – by having a little book in which they kept notes of their aspirations. Marcus Aurelius Antoninus, Roman emperor for twenty years, kept one. After attaining almost the highest form of human existence, the union of statesman and philosopher in one man, he left to us a book of meditations. It is a collection of maxims and exhortations written when he felt especially alone and needed bracing up to keep him on the road he had chosen.

Such a practice will help us to pass safely through the processes of surmise, guess, dim instincts, embryo conceptions, partial illumination, and hypothesis, into certainty and conviction.

Things Needed

Among the things needed by the person in search of excellence are these: a wide view, curiosity, courage, self-discipline, enthusiasm, and energy.

Having a wide view does not only include seeing things near and far in proper perspective, though that is very important. It requires broad training in funda-

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mental principles. Specialization is vitally important in the modern world, but it is unfortunately true that for many individuals specialization is a dead end rather than an avenue to deeper and broader understanding. The person seeking excellence will realize that this need not be so, and he will respond to the challenge to prevent its happening to him.

The key positions in all walks of life will go to those who are educated broadly, in a balanced way. Only they have the depth of judgment, the sense of proportion, and the large-minded comprehension to handle big affairs.

One needs the curiosity to look below the surface of things. It is curiosity that has led to every scientific advance, and through it man has risen to the high level of philosophy and the meaning of things.

Curiosity is followed by research. You get hold of an idea and nurse it to life with persistent patience. You separate your key thoughts from a hundred and one irrelevancies. You sift through a haystack and find the pin, but you do not stop there. You look closely enough to see the Lord's Prayer inscribed on the head of it. That little extra piece of applied effort counts mightily in turning curiosity into something that is rewarding.

This process gives you faith in the validity of your judgment, which is the backbone of courage. What do Commencement speakers mean when they repeat, year after year: "Education is a lifelong process"? Every youth already knows, as he walks down the platform steps with his diploma in hand, that he must keep on learning.

What the speakers mean is something beyond keeping up with the techniques of one's profession, business, or craft. They have in mind the attributes needed to survive errors, to keep marching on a road that seems to be without end, to rise above disappointment and distress, to lie awake at night staring at broken hopes and frustrated plans and at a future that seems wholly dark – and to get up in the morning and go about their business with determination. All of these are part of education.

To pursue his course with success a man needs a strong sense of personal stability, and part of the process of maturing into excellence is that of substituting inner discipline for outer. Tolstoy wrote in one of his letters: "There never has been, and cannot be, a good life without self-control."

Nothing will protect us from external pressures and compulsions so much as the control of ourselves, based upon ideals form-

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ulated by ourselves. Much is said in praise of endurance, and indeed much should be said, because being able to bear up manfully under stress and hardship is a great accomplishment. But self-control is different: it is not continued resistance but actual mastery. It enables us to say "yes" and "no" to other men, not prompted by blind obedience to a code, but with assurance derived from a conscious evaluation of relevant alternatives.

Only an imaginary line separates those who long for excellence and those who attain it, and enthusiasm is the quality needed to carry one over the border. This means having interest, zeal, and a strong feeling of the desirability of success. Enthusiasm provides the perseverance that overcomes impediments both real and imaginary.

One obstacle in the way of progress is resistance to change. We must develop a sense of the pulsebeat of this changing life. We need to observe what's going on around us and filter it through a layer of common sense so as to decide in what direction and to what extent we have to alter course.

At the beginning of the century the only people needing advanced education were those who were going for medicine, the ministry, law, and the scholarly domain. Today, everyone needs all the relevant education he can absorb so as to be able to cope with the complexities of life and of his job.

Capability must be changed by application and work into indubitable performance. As one of the earliest Greek poets said: "Before the gates of excellence the high gods have placed sweat." All executive work, all research, all intelligent work of every sort, is based on directed diligence, on lively movements, on getting one idea on the rails and springing another.

Sources of Inspiration

There are several sources from which the person seeking quality in life draws inspiration: school, home, the church, and experience.

Intelligence needs information on which to work and the tools with which to work. Everywhere in the world there is emphasis on education. The underdeveloped countries need elementary education urgently, and in our own country every step forward in industry and science raises the required standard of higher education.

Some wake up to the possibilities and needs in their final high school year, or when they come up against the increased demands of freshman year in university:

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they are unfortunate people upon whom the realization does not dawn until they have put aside their graduation gowns and rubbed shoulders with the workaday world.

Every child's home should provide a stimulating and instructive environment. Young people need to be exposed there to a context of values in which high performance is encouraged. When a prominent businessman was complimented by a fellow-commuter on the scholarships won by his two sons, and was asked for the secret, he replied: "We just show them that we expect it of them."

The child has an advantage when his parents qualify themselves and exert themselves to make him familiar with books, ideas, and conversations – these are the ways and means of intellectual life – so that he feels at home in the House of Intellect.

To succeed, parents need to pull themselves into the mainstream of current knowledge. They may do so by reading, by attending lectures, by taking correspondence courses, or by forming community or neighborhood study groups. Only so can they fulfill adequately their children's need for an awareness of intellectual values and educational goals.

Parents are assisted by the churches. All of the great religions have enunciated principles of conduct, and have established congregations in which these principles are taught.

Practical experience is more harsh than school and home. It is ruthless, but effective. We need not merely to learn things by chance or under compulsion but to develop the ability to extract the broadest meaning from our observation of the how and the why of things. One of the most valuable human rights available to the person seeking excellence is the right to correct errors revealed by experience.

Canada's Obligation

This is a good time to scrutinize the virtues taken for granted in our society. Do they need to be restated, revised, and encouraged?

William James told students of Stanford University in 1906: "The world . . . is only beginning to see that the wealth of a nation consists more than in anything else in the number of superior men that it harbors."

The obligation upon Canada is to honor the qualities in men and women which are most necessary to the continued vitality of our country. A democratic, equalitarian society does not find it easy to applaud the superior individual. It fears that by praising one it belittles another, and that some-

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how seems to be undemocratic.

Every person of quality gives something of advantage to his country, but before the country can appreciate these gifts, it must learn this: a society only produces great men in those fields in which it understands greatness. Quality and excellence must be inspired by people who expect high performance of themselves as well as others.

There are five million young people in Canada's schools and universities. Among them are several future prime ministers, a governor general or two, many provincial premiers, hundreds of members of parliament – all the men and women who will be governing Canada far into the twenty-first century. There are also the industrialists, financiers, and business people who will manage the country's business. There are the professional people who will look after health, education, law, and religion.

The Best Thing

The best thing to give an undergraduate at this time is encouragement toward development of quality and inspiration in his search for it. The best wish we can give the graduate is capacity for continued growth.

Inability to appreciate the need for personal devotion to the idea of excellence, either individually or through those we might stimulate toward it, may bring on that saddest state of intelligent beings: regret for what might have been, when it is too late to take another path. The question is relevant to every person: "What is my contribution toward quality going to be?"

There is no need to become cast down if we do not at once attain the super-best. It is a good thing to strive for excellence, but we must realize that the best possible is not too bad.

Most of life is lived by batting averages, not by perfect scores. The research scientist does not expect that every hypothesis he sets up will prove out. The financier does not expect that every investment will return a maximum dividend. People live by making plans and by putting forth efforts that are, so far as they can see, in line with the results they want. Then they revise their plans and improve their performance as experience dictates. We need fear only one failure in life: not to be true to the best quality we know.

There is a certain satisfaction in trying, even if we do not succeed perfectly. As Robert Browning put it in "Rabbi Ben Ezra":

> What I aspired to be
> And was not, comforts me. ◆

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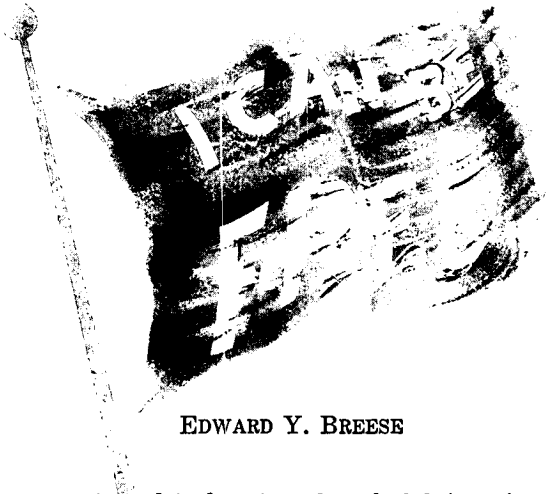

EDWARD Y. BREESE

THOSE of us accustomed to boasting, "It's a free country!" have some disturbing facts to face.

The free country we've known was founded on recognition of the right of the individual to "life, liberty, and the pursuit" (not guarantee) "of happiness." We were taught to believe in the right of every man to the product of the labor of his hands and the creativity of his mind. We respected private property and the owner's freedom of use, subject to minimum community safeguards. We considered government to be the "servant of the people," with limited powers as delegated by individuals. Such, I believe, was the typical view of thoughtful Americans when I was a boy half a century ago.

But I now find little trace of these concepts in the day-to-day practices of the community. To a frightening extent, the principles upon which America was founded are giving way to the opposite principles of socialist statism. Instead of servant, government is increasingly welcomed as master. In theory, of course, individuals still control government by means of their elected representatives. But the representatives more and more take the fact of their election as a mandate to rule and govern the people.

The picture thus printed is dark. But is it accurate? For perhaps a large majority of my fellow citizens, it is. Why, then, is my own thinking and way of life so unchanged except in minor and

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nonessential details? Why have I not become socialized along with the state, the social mores, and the majority of my fellows?

There seems to be only one logical answer. Somehow, I have managed to continue living as a free man because there is something within me which demands it. The free life and free thought are so strong that I cannot and will not compromise either.

What does that mean? What entitles me to make such a statement? Let me see if I can answer. My answers may not be yours, and they may not serve you. But they are my honest answers. They have kept me free as an individual. Perhaps they have helped some who have known me.

First of all, I have kept the habit of free thought and critical analysis. Whatever I read or hear I submit to the test of certain questions. What motives are behind the words? What are they intended to mean? What is their real meaning for me? I act upon the answers to these questions.

I try to place myself in positions where my personal freedom is at a maximum. I have always, by instinct, I suppose, chosen those jobs which give me a maximum of personal freedom. This, rather than financial return or prestige, has been the determining factor for me. And I have not starved as yet, or come close to it.

I act upon the assumption that I am responsible for my own care and welfare. I think my fellows do not owe me a living – nor do I ask or expect them to provide for me. I try to make my own opportunities.

I do my best to stay out of debt. I don't want anyone to hold a mortgage on me or on my actions.

I believe that private enterprise can better solve any problem than can a bureaucracy, even when the problem is a public and collective one. I see many examples where this is so, but will cite only one: the massive achievements of Alcoholics Anonymous in contrast to governmental efforts at Prohibition.

I waste no time or effort in futile "revolts" against those things which I cannot control. I step free of these things as much as possible. As an individual, I cannot destroy the system of government regulation of business; but I can try to avoid positions where these controls affect me. If I do not ask or accept favors of government, I need not be bound by the conditions under which these are granted.

I support by voice and vote those elements in government with

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which I most nearly agree. I write and speak in support of the principles of freedom. I hope to be heard, but whether or not I am heard is less important to me than the fact that I speak.

I do not resign from society. In World War II, I served as a sergeant of the A.A.F. I would never burn a draft card. I try to live as a free man within the society of which I am a part. I believe that, in the long run, the power of example will count for something.

I want to be ready when the failure of socialism is generally recognized. When that time comes, free men will be needed. But it is not vital to me that I live to see that day. It will come, because it must.

What *is* important is that I continue to think as a free man and do the best I can to live by those principles in which I believe. For me, of course, there is really no other choice. I must be that which I am.

In a time of growing statism, I cannot force a return to limited government. But I *can* limit the power of government to control and affect me. I can refuse to compromise my principles in exchange for a handout. I can practice my beliefs in my daily living and be happy in so doing. I can think free, walk free, and be free. ◈

IDEAS ON LIBERTY

First Comes Understanding

CORRECT ACTION automatically follows understanding — the only route to correct action. Nothing else will serve. If this process seems hopelessly slow, there should be the sustaining faith that liberty is in harmony with truth, and with the intended design of the human social order. Truth is immortal, despite the defeats that it seems to suffer along the way. Truth has a power that is no respecter of persons, nor of the numbers of persons who may at any time be in darkness about truth. Truth has a power that cannot be touched by physical force. It is impossible to shoot a truth.

The lover of liberty will find ways to be free.

F. A. HARPER, *Liberty: A Path to Its Recovery*

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GEORGE C. ROCHE III

POWER

3. SOCIAL EFFECTS

SUCH CONCEPTS as *humanity, mankind, society,* or *nation* are all modern in their origin. Ancient and medieval men tended to view man as an individual unit. They usually thought of larger collections of men as being merely larger numbers of single individuals. Thus, such words as *mankind* or *society* did not, until modern times, convey a difference in meaning, but instead implied only a difference in quantity. It is instructive that our modern patterns of thought now give such words as *society* or *humanity* or *nation* a new meaning, *no longer connected directly with the concept of the individual.*

What modern society seems to have forgotten, in the words of Frank Chodorov, is that, "Society are people." Within the traditional Western framework of *Natural Law,* our forebears have generally recognized a realm of spiritual value, beyond the laws of natural science and beyond the trappings of society. It is this recognition of the spiritual dignity of the individual person which gave birth to the concept that each individual had certain rights which no other man or collection of men would be justified in violating.

Modern society, acting in the name of "the people," has been increasingly willing to override such guarantees of individual freedom. In the process, absolute power has steadily replaced absolute rights:

> Having agreed that the majority should prescribe rules which we will

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obey in pursuit of our individual aims, we find ourselves more and more subjected to the orders and the arbitrary will of its agents. Significantly enough, we find not only that most of the supporters of unlimited democracy soon become defenders of arbitrariness and of the view that we should trust experts to decide what is good for the community, but that the most enthusiastic supporters of such unlimited powers of the majority are often those very administrators who know best that, once such powers are assumed, it will be they and not the majority who will in fact exercise them.[1]

Just as it is true that the fate of a book is dependent upon the reader, it is equally and painfully correct that the meaning of a political idea stems from the group which appropriates it. The meaning given to "democracy" and the application of the tremendous power unleashed by the new definition of "popular rule" have paved the way toward an exercise of power never dreamt of before modern times. Yet, 50 to 75 years ago, those most enthusiastic concerning modern democracy believed that all dangers from power were past, since the power of the future, represented by the concentrated power of the modern state, was to be used only in the advancement of the material interest of the common man.

State and Society

Some astute observers, such men as Nietzsche and Burckhardt, were warning as long ago as the mid-nineteenth century of the dangers stemming from the new mass-man and the new mass-state. Social critics of our own time, of the stature of Wilhelm Roepke and Ortega y Gasset, have pointed to more and more signs of the dangers inherent in the centralized modern state. Meanwhile, the consolidation of power in the new dispensation has steadily advanced:

> The present disposition is to liquidate any distinction between State and Society, conceptually or institutionally. The State *is* Society; the social order is indeed an appendage of the political establishment, depending on it for sustenance, health, education, communications, and all things coming under the head of "the pursuit of happiness." In theory, taking college textbooks on economics and political science for authority, the integration is about as complete as words can make it. In the operation of human affairs, despite the fact that lip service is rendered the concept of inherent personal rights, the tendency to call upon the State for the solution of all the problems of life shows how far we have abandoned the doctrine of

[1] F. A. Hayek, *The Constitution of Liberty* (Chicago; University of Chicago Press, 1960), p. 116.

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The tendency to call upon the State for the solutions of all the problems of life shows how far we have abandoned the doctrine of rights, with its correlative of self-reliance.
FRANK CHODOROV

rights, with its correlative of self-reliance, and have accepted the State as the reality of Society.[2]

Such a system gives far too little to man's freedom or personality. The state swallows the individual. Even if such centralization were efficient in the satisfaction of human wants, which it is not, the means used to achieve the end would still be unacceptable simply because they are incompatible with human freedom.

Even more dangerous, perhaps, is the risk that the very concept of freedom itself can become so misused and distorted within such a society that no individual dare lay claim to any rights or dignity having a higher source than the society in which he lives. At that moment, the guarantees developed by Western civilization to protect the individual from the arbitrary exercise of power have in effect all been swept away, no matter what label that society might give itself.

[2] Frank Chodorov, *The Rise and Fall of Society* (New York: Devin-Adair, 1959), pp. xix - xx.

Once such checks upon the exercise of power have been removed, all the internal vitality and freedom within such a society are open to destruction in the name of "order." Soon the preservation of "order" or the pursuit of the "greatest social good" is identified with whatever action the wielder of centralized power deems suitable. Resistance against the exercise of such power comes to be viewed by society not as an expression of human individuality and free choice, but as an assault upon the public good, a crime of the selfish individual against the selfless community.

The Authoritarian Personality

A new type of personality soon comes to the forefront in such a society. Many who would tend to go largely unnoticed in a freely competing society soon begin to exercise centralized power to invade the market place and the private sector in an attempt to manipulate individual decisions to achieve "social goals." In a society in which officials wield such tre-

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mendous power, they come to occupy a larger and larger place in the public eye and in their own self-esteem.

The exercise of power thus becomes a gratifying and expansive experience. The wielder invariably flatters himself that he is undertaking a tremendous burden "for the good of" those over whom he exercises power. The legend of the Grand Inquisitor, who felt he had taken upon himself "the curse of the knowledge of good and evil" to achieve the happiness of "thousands of millions of happy babes" has been re-enacted time and again throughout human history, with ever-increasing frequency in our age. Such wielders of power soon lose themselves in their dedication to "service," forgetting their underlying motivation of self-aggrandizement. In all probability, Napoleon was sincere in his famous remark to Caulaincourt, "People are wrong in thinking me ambitious – I am touched by the misfortunes of peoples; I want them to be happy and, if I live ten years, the French will be happy."

Further, the manner in which the modern state opens the exercise of power to men of ambition from various walks of life tends to make the exercise of that power and, indeed, its further extension, all the more acceptable to the mass of people. In the older era of kings and aristocrats, few men had the slightest hope of achieving a share of power. But in a modern society in which any man is a potential wielder of power, many who should and perhaps do know better will still allow the exercise and extension of power on the assumption that they themselves are capable of wielding such devastating and corrupting force. It is from this complicity in the crime of power that modern democracy especially suffers, since so many among us believe that to achieve the good society we need only "throw the rascals out" and replace them with "good men," men who would wield power properly.

The Intellectual

One of the groups within society especially at fault in the encouragement of the accumulation and exercise of power has been the "intellectual." Seldom has the case been stated more clearly than by the distinguished journalist, George S. Schuyler:

> It unfortunately has become fashionable for the artist in modern society to quibble over this issue of freedom. He says on the one hand that he prefers a society which emphasizes physical security for all (which necessitates in technological civilization a degree of regimenta-

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tion which endangers freedom). At the same time he properly wants a society where he is free to write, paint, and compose as he wills. He fails to recognize that the artist is so influenced by the society of which he is part, that he cannot remain free when all else is controlled.

The error of the intellectuals of the West for the past two centuries has been advocating a society actually slavish but paraded as freedom. This means, then, that along with free art (and indeed the very basis for it) must be free political institutions, free economic enterprises, and a society free of onerous restrictions.

The tragedy of so many intellectuals in the contemporary world is that while opposing extreme forms of totalitarianism, they are themselves half-totalitarian; that is to say, they express a desire for a society which is half-controlled, half-regimented, half-planned, part capitalist, and part socialist. This strange hybrid they will find (indeed, have found) to be a Frankenstein monster which, ironically, they have a great responsibility for creating.[3]

Unchecked Power

However the centralization of power may have come about, its existence and its exercise are painful realities in our society. The unchecked power of labor unions, backed by coercive political legislation, has been used against private property, the general public, and, above all, the union members themselves. The ill-concealed pressures exerted by centralized power through the large and growing numbers of regulatory agencies and "administrative" legal decisions have left private property and the businessman literally at the mercy of forces beyond either his comprehension or his control. The levels of taxation within our society closely circumscribe the range of choice for the individual citizen in the disposal and use of his property. The end result of the use of power is always the same: curtailment of individual and social freedom of choice.

Examples of unchecked power infringing upon the private sector and the individual within our own society could be multiplied almost indefinitely. How does it happen that such extensions of power and curtailments of liberty have taken place with little or no public outcry? The answer is a painful one for the friends of man: most people are unaware of liberty and its benefits. Indeed, if the loss of freedom and the expansion of power is sufficiently gradual, it seems that the citizens will not rise in protest. The conversion of the private sector into the public sector,

[3] George S. Schuyler, *Black and Conservative* (New Rochelle: Arlington House, 1966), pp. 319-320.

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The artist is so influenced by the society of which he is a part, that he cannot remain free when all else is controlled.
GEORGE S. SCHUYLER

of the individual's power to make decisions into the state's power to coerce decisions, has proceeded more gradually here than in the French Revolution, the Russian Revolution, or the Fascist experiments of Italy and Germany. Yet, such accumulation of power and attrition of liberty, however unspectacular its progress, has been under way in this nation.

The process whereby power has come to dominate our society was outlined well over 100 years ago in Alexis de Tocqueville's oft-quoted warning:

> Above this race of men stands an immense and tutelary power, which takes upon itself alone to secure their gratifications and to watch over their fate. That power is absolute, minute, regular, provident, and mild. It would be like the authority of a parent if, like that authority, its object was to prepare men for manhood; but it seeks, on the contrary, to keep them in perpetual childhood: it is well content that the people should rejoice, provided they think of nothing but rejoicing. For their happiness such a government willingly labors, but it chooses to be the sole agent and the only arbiter of that happiness; it provides for their security, foresees and supplies their necessities, facilitates their pleasures, manages their principal concerns, directs their industry, regulates the descent of property, and subdivides their inheritances: what remains, but to spare them all the care of thinking and all the trouble of living?
>
> Thus, it every day renders the exercise of the free agency of man less useful and less frequent; it circumscribes the will within a narrower range and gradually robs a man of all the uses of himself. The principle of equality has prepared men for these things; it has predisposed men to endure them and often to look on them as benefits.
>
> After having thus successfully taken each member of the community in its powerful grasp and fashioned him at will, the supreme power then extends its arm over the whole community. It covers the surface of society with a network of small complicated rules, minute and uniform, through which the most original minds and most energetic characters cannot penetrate, to rise above the crowd. The will of man is not shattered, but softened, bent, and

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guided; men are seldom forced by it to act, but they are constantly restrained from acting. Such a power does not destroy, but it prevents existence; it does not tyrannize, but it compresses, enervates, extinguishes, and stupefies a people, till each nation is reduced to nothing better than a flock of timid and industrious animals, of which the government is the shepherd.

I have always thought that servitude of the regular, quiet, and gentle kind which I have just described might be combined more easily than is commonly believed with some of the outward forms of freedom, and that it might even establish itself under the wing of the sovereignty of the people.[4]

Acceptable Power?

As the state thus accumulates all power unto itself and increasingly absorbs the private and the individual sector, a tendency to acquiesce in the situation seems to develop among the people. We can see this process at work in our own society in the tendency of each new generation to accept an ever-widening area of governmental involvement in the lives of its citizens. Today's young people are willing to accept displays of governmental power which were anathema to the young people of thirty years ago and were absolutely unknown to the young people of sixty years ago. As the state accumulates this power, it tends to rationalize its position, using its newly acquired controls as a tool by which the "social benefits" of the new order are advertised.

There are occasional outbursts of protest as this process develops. Even many of the advocates of centralized authority are currently alarmed about the dangers implicit in the new Federal Data Center. They recognize that a Federal government with a computerized source of complete information concerning every citizen is indeed a potentially powerful agency, but they are really only complaining about an increased governmental efficiency. Whether or not the material was gathered in a single place, and whether or not it was computerized, the fact is that the central government has long had such information available to it. In effect, many advocates of enlarged governmental powers are now complaining because the government appears closer to the exercise of those powers.

The Growth of Power

What sort of a centralized apparatus has grown up for the exercise of this new power? In the

[4] Alexis de Tocqueville, *Democracy in America* (New York: Alfred Knopf, Inc., Vintage Books, 1958), Vol. II, pp. 336-337.

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89th Congress alone the extension of "domestic aid" programs was fantastic: James Reston has reported "twenty-one new health programs, seventeen new educational programs, fifteen new economic development programs, twelve new programs for the cities, seventeen new resource development programs, and four new manpower training programs" (*New York Times*, Nov. 22, 1966). In this single area of "domestic aid" programs, these new additions contribute to some startling totals: some 170 Federal aid programs currently enacted into law, financed by over 400 separate appropriations within the Federal budget, administered by 21 separate Federal departments and agencies, assisted by over 150 Washington bureaus and over 400 regional offices. Power? Yes, indeed! Multiply these statistics by the other areas of government intervention in taxation, in land ownership, and in its far-flung regulatory activity, controlling our business, communications, food supply, money supply, transportation, housing, and nearly every other aspect of our lives, then add the additional forays proposed into our educational system and virtually every other area of the private sector, and you have a formula for total political control.

The result? As Samuel Lubell has phrased it in *The Future of American Politics*:

> The expansion of government to its present scale has politicalized virtually all economic life. The wages being paid most workers today are political wages, reflecting political pressures rather than anything that might be considered the normal workings of supply and demand. The prices farmers receive are political prices. The profits business is earning are political profits. The savings people hold have become political savings, since their real value is subject to abrupt depreciation by political decisions.

What are the prospects for freedom within such a totally politicalized society? The unlimited power of coercion present in a society so tightly tied in economic bonds has been plainly stated by one of the modern theorists of the total state, Leon Trotsky: "In a country where the sole employer is the State, opposition means death by slow starvation. The old principle, who does not work shall not eat, has been replaced by a new one: who does not obey shall not eat."

The threat to liberty produced by Tocqueville's predicted "enervation" and Belloc's "Servile State," because of the insidious quality of such gradualist, ameliorative, "humanitarian" regimes, may be most dangerous of all.

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Power becomes absolute when it becomes the agency through which society chooses to solve its problems. There are many signs that such a choice has been made in our own society.

Liberty is increasingly weighed in the balance against equality and is found wanting by those who offer themselves as "friends of the people." One of these advocates of the new order, Gunnar Myrdal, has written in *An American Dilemma*:

> In society liberty for one may mean the suppression of liberty for others . . . In America . . . liberty often provided an opportunity for the stronger to rob the weaker. Against this, the equalitarianism in the (American) Creed has been persistently revolting. The struggle is far from ended. The reason why American liberty was not more dangerous to equality [in the early days of the nation] was, of course, the open frontier and the free land. When opportunity became bounded in the last generation, the inherent conflict between equality and liberty flared up. Equality is slowly winning. . . .

Absolute Power

Power becomes absolute when it becomes the agency through which society chooses to solve its problems. There are many signs that such a choice has been made in our own society. Not only has the accumulation of power proceeded dangerously far in our governmental structure, but, perhaps far more dangerous, the rationale justifying that accumulation of power has made great progress among the individuals composing our society.

What is in store for a society in which power has become so centralized?

> The social hierarchy is in ruins; the individual members are like peas shelled from their pods and form a numerical whole composed of equal elements. The state is the beginning and end of organization; it must apply itself to the task with the highest degree of authority and attention to detail. But is that to say that there are no longer any privileged persons? There are indeed; but as regards the state they are no longer privileged as men, preceding its authority. They hold their privileges in and from the state.[5]

Such a centralized authority soon comes to take upon itself

[5] Bertrand de Jouvenel, *On Power* (New York: Viking Press, 1949), p. 175.

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the power of totally reordering society. The concept of law is stripped of a higher meaning and utilized as an enabling act for the achievement of that total reordering of society. To do all, power must be master of all.

Soon such a state recognizes no authority beyond itself. All functions, public and private, all actions, no matter how individual, are subject to mass control as a part of the exercise of total power.

Such is totalitarianism in its essence. It is not merely an oppressive regime; indeed, in principle, it does not have to be particularly oppressive at all, at least not to large sections of the population. What is involved is something much more fundamental. The old-fashioned despot demanded obedience, taxes, and manpower for his armies. The totalitarian regime wants much more: "It's your souls they want," as someone once put it, referring to the Nazis. It's total possession of the whole man they want; and they will brook no rivals in engaging man's loyalties, hopes, and affections.[6]

The New "Individual"

The living man, the individual with a source of dignity which earlier societies had viewed as transcending the state, is scheduled to have his creative capacities, his dignity, and his personality sacrificed to the new abstraction of collective power. Bureaucracy and the statistical evaluation of mass-man become the new means of social sacrifice, making burning at the stake appear inefficient by comparison.

What Dostoevsky's Grand Inquisitor achieved through authority and mystery, the scientists of Huxley's *Brave New World* achieved through scientific control of life forms. More recently, in Skinner's *Walden Two*, behavioral psychology updates the latest vision of the controlled society, suggesting that, with sufficient conditioning, the individual will be so free of frustration or the necessity of decision as to be finally free of the responsibilities of freedom. The new society which has arisen in conjunction with the modern centralization of power has brought with it the tools of mass-conditioning necessary to bring about such a perverted view of "freedom."

Does Power Truly Corrupt?

Even while such concentrations of power and such a conditioning process rob the individual citizen of his liberty, thus destroying the individual's creative capacity and in effect penalizing both the individual and his society, the greatest corruptions of all are

[6] Will Herberg, "Christian Faith and Totalitarian Rule," *Modern Age*, Winter, 1966-67, p. 69.

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likely to occur in the very institutions and men called upon to exercise this vast new power. The subjection of other men's wills to a man's purposes, no matter how well intended, is even more dangerous to the power wielder than to those over whom the power is exercised. Coercion begets coercion, producing a greater and greater necessity for the application of centralized power in society since it simultaneously disrupts the private sector and justifies its own extension to solve the problems stemming from those disruptions. A man cannot stoop to using coercion against another man without allowing the corrupting influences of that power to work its corruption upon him. However *politically* necessary such interventions into the private sector of society may appear to the ardent collectivist, the potential wielder of such power must first of all make an *ethical* choice to violate the decision-making dignity of another individual, thus arrogating power to himself over the lives of others in an ethical area where individual conscience should be supreme.

A power-oriented society tends to become more and more monolithic, producing an enmassment which removes all decision-making further from the individual citizen. Such a society produces a citizenry which tends to regard the technical and social achievements which it sees around it as something stemming from the exercise of centralized power, rather than from the personal efforts of highly-endowed individuals. At that point, the mass-man comes to identify himself with the state and becomes as corrupted by power as those who themselves exercise that power. In such a society, so completely divorced from the creative capacity of the individual, the way is paved for a social decline of great magnitude.

Then everything includes itself in power,
Power into will, will into appetite;
And appetite, an universal wolf,
So doubly seconded with will and power,
Must make perforce a universal prey,
And last eat up himself.[7]

The Destruction of Society

Once Natural Law and a decentralized society are no longer accepted as the bulwarks of the private sector, soon power, appetite, and will begin to find every area of society a proper sphere for a further extension of coercive authority. Intervention is piled upon intervention and power both encourages and feeds upon the strife

[7] William Shakespeare, *Troilus and Cressida*, Act I, Scene 3.

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between factions of society as they struggle to prosper through the intervention of power in favor of their particular group. As the exercise of coercive power grows steadily greater and steadily more damaging to society, the strife between factions to benefit from the exercise of that power becomes equally destructive to the fabric of a true society. Thus, the exercise of power is in the last analysis antisocial, destroying the society in which it occurs.

The individual citizen within such a society, already stripped of any higher dignity which does not emanate from the state, is offered an illusory social welfare, the promise of better things to come, for his acquiescence in the new system. All man's ills are now to be solved by the passage of the proper law, by the proper use of coercive power.

Irresponsibility

Such a society, abandoning individual dignity and responsibility for self in return for the promises of the new collective ethic, tends to breed a new form of social being. If the individual is not responsible for self, then a society formed of such individuals is also not responsible. The way has been paved for a new ethic of total irresponsibility on the part of individual members of that society. Surely we witness the results of such thinking in our own time. Every conceivable crime and failure in our society is attributed not to the individual but to some failure or another of society to care properly for the individual.

With Dr. Johnson, we might admit, "We cannot pry into the hearts of men, but their actions are open to observation." Surely the observation of an increasing number of the actions of men in our time would indicate some failing in their innermost being. The statistics are distressing: Crimes against property have increased (relative to population) by over 300 per cent in the past twenty years. Crimes against persons have doubled in the same period of time. Even these alarming statistics do not reflect the wide acceptance of public immorality in areas not categorized as crime. The subsidized illegitimacy of the Aid to Dependent Children program or the wide acceptance of cheating on so many college campuses are only two of many such symptoms of moral decline.

The steadily growing trend toward moral failure seems to advance at the same rate as the older ideal of self-responsibility continues to decline:

> The American has never been a perfect instrument, but at one time he had a reputation for gallantry,

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It is as though the quality of responsibility had atrophied.
JOHN STEINBECK

which, to my mind, is a sweet and priceless quality. It must still exist, but it is blotted out by the dustcloud of self-pity. The last clear statement of gallantry in my experience I heard in a recidivist state prison, a place for two-time losers, all lifers. In the yard an old and hopeless convict spoke as follows: "The kids come up here and they bawl how they wasn't guilty or how they was framed or how it was their mother's fault or their father was a drunk. Us old boys try to tell them, Kid, for Christ's sake, do your own time. Let us do ours." In the present climate of whining self-pity, of practiced sickness, of professional goldbricking, of screaming charges about whose fault it is, one hears of very few who do their own time, who take their own rap and don't spread it around. It is as though the quality of responsibility had atrophied.[8]

Something of such disastrous social results was predicted over 100 years ago by the British historian, Lord Macauley, when he warned that the twentieth century would be as disastrous for America as the fifth century had been for the Roman Empire, with the difference that the Huns and Vandals who had destroyed the Roman Empire had come from outside the system, while America's Huns and Vandals would be engendered within the American system by our own institutions.

[8] John Steinbeck, "America, Where Are You?" *Chicago Tribune*, Nov. 20, 1966.

Generation of Zeros?

As self-responsibility within our society has atrophied, what sort of a nation have we become? One social critic, Philip Wylie, has developed the idea that we are becoming a nation of nonpersons, engaging in "nothing education," "nothing readership," "nothing citizenship," "nothing art," and "nothing music." He describes our society as a "generation of zeros," produced by an educational system which avoids the creation of any "trauma" for the individual student, from which all competition, all discipline, and all possibility of low grades have been removed from the student's path. He cites television as the creator of a generation of nothing readers. He cites the current student population who all too often are for nothing and who often assume no role or responsibility in their society except that of criticism and nihilism as nothing citizens

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and eventually nothing persons. He finds the total absence of creativity in much of modern art as a demonstration of nothing art and levels much the same charge against modern music. He cites the noninvolvement of the members of our society, people who are unwilling in case after case to offer aid or even call the police in times of crisis, as for example in the Kew Gardens, N. Y. murder of a woman, witnessed by some thirty-eight people who did not want to become "involved."[9]

Thus the history of unrestricted power is again borne out. When the centralized power of the state reaches a certain point of concentration, the society it governs will tend to disintegrate. Individual action, the spark of creativity, and human charity, all decline as the exercise of power becomes the dominant solution to all problems. Voluntary human action is increasingly destroyed in preference for coerced human action.

Yes, power does corrupt, a fact amply borne out by the Bobby Bakers who increasingly inhabit the seats of power. Yet such men are nothing more or less than a mirror held up to the citizenry of America, a mirror all too graphically depicting the moral decay of our society. Professor Ortega y Gasset has predicted the final result of such decay:

> The result of this tendency will be fatal. Spontaneous social action will be broken up over and over again by State intervention; no new seed will be able to fructify. Society will have to live *for* the State, man *for* the governmental machine. And as, after all, it is only a machine, whose existence and maintenance depend on the vital supports around it, the State, after sucking out the very marrow of society, will be left bloodless, a skeleton, dead with that rusty death of machinery, more gruesome than the death of a living organism. Such was the lamentable fate of ancient civilization.[10] ◈

[9] Philip Wylie, "Generation of Zeros," *This Week Magazine*, Feb. 5, 1967.

[10] Albert Jay Nock, *Our Enemy, the State* (Caldwell, Idaho: Caxton Publishers, 1946), p. 151.

Dr. Roche, who has taught history and philosophy at the Colorado School of Mines, now is a member of the staff of the Foundation for Economic Education.

The next article, concluding this series, will concern the prospects for dealing with the threat of power.

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Auto-Safety Standards

MILTON FRIEDMAN

Now that the furor over car safety has subsided, it is instructive to consider some little-noticed aspects of the Federal legislation it produced.

1. Cost. The recently issued safety standards will raise the cost and hence the price of new cars. According to some estimates, consumers will pay about $1 billion a year extra.

Suppose Congress had been asked to appropriate this sum for the identical safety equipment, raising the money by a special excise tax on automobiles. Would Congress have enacted this proposal as readily as it enacted the safety legislation? Yet, the two are identical except in form.

2 Delegation of power to tax. Congress has been jealous of its prerogative to impose taxes. Time and again it has rejected proposals that the President be granted discretion to alter tax rates. Yet, in this case, as in other similar cases, Congress has delegated to an administrative official near-absolute power to decide how large a tax to impose.

3. Failure to compare alternatives. The basic issue before Congress was safety, not requiring automobile manufacturers to build their cars in specified ways. Yet, so far as I know, there was no discussion whether $1 billion a year would contribute more to safety if spent in this way than if spent in other ways – on improved highways, or driver education, or better enforcement of speed limits, or more intensive investigation of causes of auto accidents.

4. Who will set the standards? The National Traffic Safety Agency has already been criticized for yielding to the demands of manufacturers in drawing up its final safety standards for 1968 cars. Mr. William Stieglitz resigned as consultant to the agency on roughly these grounds. Such complaints will be even more justified in the future – though the complaints themselves may become less shrill.

How else can it work out? Safety standards are a peripheral matter to most car owners. A

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Ralph Nader may get them or the politicians aroused enough to pass a law; but once the law is passed, the consumers will return to somnolence, from which only an occasional scandal will reawaken them. The car manufacturers are in a very different position. They have billions at stake. They will assign some of their best talent full-time to keep tabs on the standards. And who else has the expertise? Sooner or later they will dominate the agency – as, despite well-publicized tiffs, railroads and truckers have dominated the ICC; radio and TV networks, the FCC; physicians, state medical licensure boards; and so on.

5. Effect on competition. Several small specialty-car manufacturers have already complained that compliance with the new safety requirements would put them out of business – the 1931 Ford that one company replicates has less glass in total in its windshields than the windshield wiper standards require the wipers to clear! No doubt, special exemptions will be granted to these companies. But how shall we ever know about the innovations that might have been made, or the companies that might have been established, without this additional handicap?

The effect on foreign producers will be even more important. Any extra cost will be more of a burden on them than on U.S. producers because they sell a much smaller fraction of their output in the U.S. Beyond this, it will become clear to the agency – staffed as it must be by men trained in the U.S. industry and in daily touch with it – that our cars are really safer and that the way to promote safety is to require foreign cars to meet American specifications.

The result will be a sheltered market for U.S. producers – and higher costs to U.S. consumers that have little to do with safety requirements.

6. The effect on safety. To begin with, the standards may well make cars safer. But, as administrative rigor mortis sets in, they will soon slow up product improvement, so that a decade from now cars may well be less safe. Reduced competition will reinforce this tendency. In addition, the higher price of new cars will raise the average age of cars on the road.

7. An oft-told tale. Time and again, laws passed to protect the consumer have ended up by restricting competition and so doing the consumer far more harm than good. Is it too much to hope that one of these days we shall learn this lesson before we enact a new law rather than after? ◈

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Public and Private Enterprise

IN ADDITION to being a good economist, John Jewkes, the eminent Professor of Economic Organization at Oxford, is a man with an exquisite taste for historical irony. His *Public and Private Enterprise* (University of Chicago Press, $2.25), which is made up of his Lindsay Memorial Lectures given at the University of Keele, invokes Alexis de Tocqueville at the beginning. But it is not to hail the many prophecies of that remarkable Frenchman which happened to come true. Rather it is to quote from one of Tocqueville's rare historical mistakes.

"Everywhere," so Tocqueville said of the eighteen thirties, "the State acquires more and more direct control over the humblest members of the community, and a more exclusive power of governing each of them in his smallest concerns. . . . Diversity, as well as freedom, are disappearing day by day."

This was written at the time of the Jacksonian revolution in America and the movement toward free trade in England. Far from "disappearing" in the eighteen thirties, "diversity" and "freedom" were just about to take off on the grand flight that was to make the nineteenth century such a wonderful period. What Professor Jewkes is intent upon establishing is to show that Tocqueville was right in retrospect if wrong in prospect, for the world previous to the eighteen thirties – the world of mercantilism and emperors who said *"l'etat, c'est moi"* – was indeed a world in which diversity had a hard struggle. For just about a hundred-year span after 1830, history was to reverse itself. But now, as Professor Jewkes laments, Tocqueville's words might correctly be applied. "Everywhere, and not merely in Socialist countries," says Jewkes, "that part of the national income taken in taxation; of the working population employed by the State; of capital expenditure incurred by

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public authority, have all been on the increase over the past thirty or forty years."

Professor Jewkes does not expect a powerful reversal in social and political thinking that will change things. All paths, he says, "seem to lead to wider government responsibilities." Professor Jewkes doesn't like the contemporary intellectual atmosphere, but the noteworthy thing about his Lindsay lectures is that they don't tangle head-on with prevailing dogma. Instead of affirming fundamental doctrine, Jewkes suggests a rather pragmatic cost-effectiveness approach to affairs. He speaks of the lessons to be drawn from "the case-by-case method."

And so, without any fanfare about basic principles, or the philosophy of freedom, we get down to Professor Jewkes's cases.

Jewkes on Education

Education is one thing that concerns Jewkes. He wonders about the "rate of return" to the community from the push to eradicate the college drop-out problem. The cost-effectiveness of trying to force-feed the expansion of university training is questionable. Says Jewkes, "A person who is trained as a doctor instead of becoming, say, a carpenter will presumably show higher earnings in consequence. But if many more doctors were trained, the earnings of doctors themselves, including the existing doctors, would fall. It is conceivable that the total earnings of all doctors might decrease. Would the rate of return on investment in education then be considered negative?"

This is the sort of dryly ironical skepticism that pervades Professor Jewkes's book. He doesn't like the accent on using the schools to solve problems that seem to demand immediate attention. For when a drive is on to educate more people in, say, industrial design or the commercial use of foreign languages, the stress on specifics may "tend to drive out of the curricula those broad subjects of study which no one can defend as having direct relevance for economic expansion but which contribute much to general intelligence and the instinct for orderly living without which economic achievement would be inconceivable."

Jewkes likes generalists. But not when the generalists are conformists. "University education, even at its best," he says, "tends to bring about conformist thinking; for Universities cannot operate without standard tests and procedures." Jewkes has no good answer to the problem of battling conformity, but he does at least raise the question "of providing leisure and resources by which the young can

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learn in their own ways and pursue their eccentricities."

Curiously, he is very skeptical of the value of spending huge sums on "research and development." "If we take the United States alone," he says, "where the statistics are most complete and where research expenditure has reached astronomical levels, the annual percentage rate of growth in industrial production is not higher than it was half a century ago. The number of patents taken out in that country have not been increasing." Jewkes wonders at the fact that "Japan, which shows the most impressive rate of economic growth in recent years, has not engaged in research and development on any extraordinary scale." On the basis of Jewkes's evidence one would have to say that endowing a young man with funds and sticking him in a fancy laboratory is not necessarily the way to enable him to "pursue his eccentricities" in a fruitful manner.

The conclusion to be drawn from Professor Jewkes on the subject of education is that the state might pay less attention to it without any adverse effects on the body politic. But Jewkes doesn't belabor the point.

Other Governmental Failures

The cost of a National Health Service is another subject which Jewkes inspects in his dryly ironical way. He concludes that a free national service paid for largely out of general taxation "not only discourages people from paying privately for their medical services but leads them to be content with a service of lower quality than they might otherwise have been prepared to pay for."

Professor Jewkes does not attack the prevalent idea that "the outstandingly successful new function of government in our time has been the maintenance of full employment." Instead, he remarks on the "happy-go-lucky fashion" in which governments have accepted this new responsibility. "Persistent inflation" has been one result of carelessness. Government intervention to wipe out "massive unemployment" may justify itself to Jewkes "on the critical counts," but the "recent efforts of governments positively to engineer economic growth have been among their most palpable failures."

A Case for the Free Market

Instead of going minutely into the failures of government-fostered "growthmanship," however, Professor Jewkes ends his lectures by making a case for the "free market as a strong civilizing influence." He thinks capitalist publishing has done more to civilize people than anything that socialists have done

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anywhere. The paperback book, he points out, "was devised and has been spread over great markets by men looking for private gain. The interest in great music has been stimulated in recent years by many inventions but especially by the long-playing record and refined devices for reproducing sound, which were invented in the laboratories of commercial firms and widely distributed by many firms in vigorous competition. The sense of form and colour has been fostered all over the world by the opportunity of amateur activity and experiment through the cheapening of the camera."

If our young are really looking for a man who questions all the clichés, Jewkes should be their prophet. He is not as flashy a phrase-maker as Galbraith, but he is a far more effective critic of what has become the new "conventional wisdom." ◈

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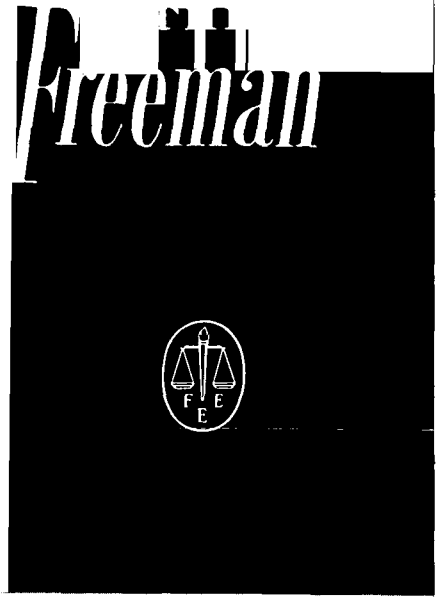

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